Ontario Left Holding Power Bag

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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT ON
PAGES 11-18

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 30, 1932 | 10c a Copy; $5.00 a Year | No. 31

The Nation's Business

Mr. Bennett Makes Good Start
Aptly Charts Path for Conference Discussions
British Policy Yet Unrevealed
Wheat in Background as Conference Issue

Canada's Premier Sounds Striking Keynote

AS THE Imperial Economic Conference pursues its difficult task of investigation and negotiation it will find it difficult to stray far from the pathway charted by Canada's Prime Minister in his opening address. No finer keynote could have been struck for an imperial business gathering of this type. Mr. Bennett demonstrated qualities of statesmanship and good business sense that are all too seldom expressed in a single speech. Even Mr. Bennett's political opponents grudgingly approve of his presentation of Canada's position as is demonstrated by the efforts now being made to compare Mr. Bennett's offer to Great Britain with the last Dunning budget.

The essential point about Mr. Bennett's address is that it provided a concrete basis for keen but friendly discussion of an effective trade agreement between Canada and the United Kingdom, and in doing so, it indicated the broad lines which an arrangement between any two of the British countries would have to follow. Mr. Bruce's prompt support of Mr. Bennett's keynote proposals made it clear that Canada's prime minister spoke for all the primary-producing countries of the Empire.

* * *

IMPERIAL trade treaties can not be created out of propaganda, or sentiment, or politics. They must be carefully put together from the enduring materials of commercial ambitions, mutual interests and equal distribution of benefits. A trade treaty is a business contract and not an illuminated scroll to hang up on the wall. The best gift the Imperial Conference can make to the Empire and the world is to outline at least a series of such business contracts between the countries of the Commonwealth. In a business contract there is always present the desire to satisfy both parties; to meet some problem of each; to make a profit for each; to have the balance of benefit evenly distributed. In Mr. Bennett's offer of tariff concessions to be granted by Canada for equivalent benefits for this country, the whole matter has been put on a business-like basis and the ephemeral nature of gratuitous Imperial gestures is recognized. Taken together with Mr. Bruce's insistence upon recognition for the Dominions' past and present favors, it provides a new and interesting alignment for conference negotiations, one previously missing in discussions between the Dominions and the mother country.

* * *

IN MANY quarters, Mr. Bennett's references to industries that have reached maturity, to extension of the free list and to substantially larger preferences are taken to represent a complete reversal of his former tendency to steady tariff increases and increased protection through department regulations. In short, the farming West is more encouraged than the industrial East by what he has had to say.

There are too many qualifications of one kind and another in the prime minister's statement for it to be taken as a detailed outline of his policy as to what Canada should do at the Conference. For that reason one must be chary in interpreting it as a final tariff or preference platform. To what extent Mr. Bennett's statement modifies his attitude of rather extreme protectionism is yet to be shown. But there is not necessarily any conflict between the tariff increases of recent years and the tariff reductions possible under the conference programme. It should not be forgotten that when Mr. Bennett took office the tariffs on British goods had been reduced to such an extent that Canada was in no position to bargain for any reciprocal benefits.

The successive tariff increases imposed by the Bennett government have put Canada in a sound bargaining position. It may indeed be that Mr. Bennett has put the tariff up in order to be in a position now to put it down in favor of those who will make it worth our while.

* * *

INTERPRETING Mr. Bennett's offer as too indefinite to be valuable is unfair. Interpreting it as a complete reversal of policy, leading to the jettisoning of the fair tariff requirements of Canadian industry, is equally unfair. Mr.

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LAKE O'WOODS DOING BETTER THIS SEASON

No Marked Change is Looked for in Income

LOW PRICES PREVAIL

Domestic Trade Satisfactory —Export Business Weak— Bakeries Holding Their Own

From Our Own Correspondent

MONTREAL.—Financial returns of the Lake of the Woods Milling Co. for the 1932 fiscal year ending August 31 next will show an improvement over that reported in the preceding year. No appreciable change is expected but, at the same time, the position of the company has tended toward betterment.

Conditions in the milling industry as a whole have not been especially satisfactory. Export demand for Canadian flour has been weak. On the other hand domestic needs have been fairly well sustained. Aggregate volume of business, therefore, compares reasonably well with that conducted a year ago.

Flour Prices Unsettled

The biggest problem facing the milling operators this year is the very low price obtaining for flour, both in export and domestic markets. For many months past the price situation has been unsettled with declining prices the rule. Attempts have been found at different times to effect some degree of stabilization, more particularly in the domestic market, but little progress has been made. The percentage of profit on flour sold in the domestic market is so small just now, that there is little or no relationship between profits and the volume of business handled.

Due to this unsatisfactory price situation earnings of Lake of the Woods, as well as the other mill operators, are on a basis substantially smaller than might otherwise be expected.

Deficit Last Year

Last year Lake of the Woods reported a net operating deficit of $935,468 and after taking care of prior charges, a total deficit of $1,426,946. This figure was arrived at after taking into account severe losses in the wheat market, also through bad debts, and the necessity of writing down inventories owing to the decline in the price of wheat and flour.

The report for the year ending August 31, 1932, will make better reading than that presented to the shareholders for last year. Though no details are available at the moment, it is anticipated that in addition to a stronger income account, the balance sheet will show evidence of strengthening.

Bakeries Holding Own

Lake of the Woods also has a substantial stake in the bakery business through Inter City Baking and Inter-City Western. Inter City Baking is reported to be doing fairly well. Sales conditions in some of the areas in which Inter-City operates could undergo further improvement. Taken as a whole, this subsidiary is holding its own. Last year Inter City reported a net profit of $331,643, which was sufficient to take care of all senior charges and permit the payment of a dividend on the common stock. It is too early as yet to estimate how financial returns will shape up, as the first half of the year does not come to a close until the end of this month.

West is Looking Up

Operations of Inter City Western are largely a reflection of business conditions in Western Canada. The poor crops and small returns of recent years have tended to limit the volume of business done by the bakeries. This was reflected in last year's statement, which showed a loss after bond interest and depreciation of $66,429.

Prospects of a large crop this

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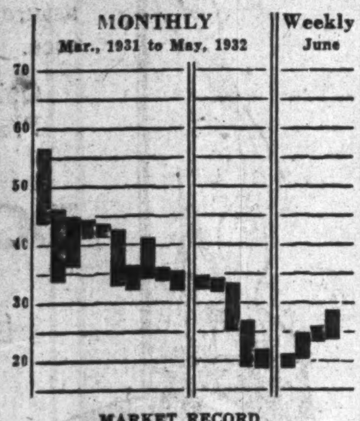
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 26	28.7	24.9
Week of July 19	25.5	23.5
Month of July, 1931	45.8	40.8
8 Bank Stocks		
Week of July 26	162	155
Week of July 19	167	158
Month of July, 1931	231	225
10 Public Utilities		
Week of July 26	44	41
Week of July 19	42	40
Month of July, 1931	72	67

SEAWAY POWER MAY BE READY BEFORE NEEDED

Plans Reveal Ultimate Load Not Counted on Till 1952

HOW COST IS BORNE

Ontario Pays Dominion Fixed Sum Irrespective of What Actual Construction Costs May Be

Further light on the proposed St. Lawrence Seaway pact was provided last week by publication of details of the agreement between the federal government at Ottawa and the Province of Ontario.

The agreement was accompanied by a statement from the Hydro-Electric Power Commission of Ontario which has been actively urging development of power in the St. Lawrence River, since 1924, and under whose control the development of power in the international rapids section would be placed. It indicates that H. E. P. C. does not plan to take initial power from the St. Lawrence until 1942 and the complete load until 1952.

Roughly the plans indicate a total estimated cost to Ontario of $120,000,000. This sum is estimated to give the province between 1,000,000 and 1,100,000 horsepower of low tension electric energy at the bus bars. This indicates an approximate cost per horsepower of $120. The figures are on the basis of 1926 costs but they include approximately $15,000,000 for carrying charges between 1942 and 1952 since under its present plans the Hydro-Electric Commission does not contemplate initial use of this power until 1942. At that date an initial load of 100,000 h.p. is planned to be brought into use, this load increasing by 100,-

(Continued on page 2, col. 1)

Empire Currency Has Few Friends at Ottawa; British Ready to Chance Food Taxes for Price

MEAT TAXES FOR BRITAIN PARLEY CRUX

World's Biggest Buyer Ready to Grant Dominions' Request

IMPORTS $500,000,000

But Only $125,000,000 Now Bought Within Empire — Will Aid Canada's Hog Industry

By Staff Editor

OTTAWA.—Willingness of Great Britain to impose a tax on meats will probably be chronicled as an epoch-making event in British economic history. Suggested preference for Empire countries is 4 cents a pound on mutton; 3 cents a pound on beef and bacon. It is bacon in which Canada is primarily interested. These preferences carry a proviso that Britain by quota or other means is free to protect her present chief sources of supply—Argentina and Denmark.

Britain is the largest meat buyer in the world, her annual average importations amounting roughly to $500,000,000. Of this only $125,000,000 is now bought within the Empire. The rest comes from foreign countries, chiefly Denmark, Argentine, U. S. A. and Sweden.

The general plan of seeking a preference in Britain for "natural and processed products" was laid down by Prime Minister Bennett in his speech on opening day.

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Ontario Power Deal Blow to Taxpayers

Enterprise Enthusiastically Praised by Ex-Premier Ferguson Lands Back on Public at Huge Cost — Why Was It Started in First Place?

ONTARIO POWER SERVICE CORP. bondholders have reason to congratulate themselves on the offer made by the Ontario Government to exchange $90 of Ontario Hydro Electric Power Commission bonds, guaranteed by the province, for every $100 of corporation bonds outstanding. It is true that the corporation bondholders lose nine months interest, and that instead of 5½ per cent interest they get from October 1, 1932, to October 1, 1937, only 3½ per cent, 4 per cent for the next five years and 5 per cent for the next ten years. But on the other hand the whole credit of the province will be behind their new bonds whereas they would have had assets useless and worthless until the project was completed. They would have had to seek funds from private sources to finish the project; and no one knows just how onerous might have been the terms their necessities would have forced them to take.

The tax-payer in Ontario has not as much reason as the bondholder for self-congratulation. All statements made by Premier Henry suggest the inference that for an unknown period of years the taxpayer will have to dip into his pocket to make up the difference between maintenance and operating costs of the undertaking and the revenue to be received. Premier Henry has no doubt been making the best of a bad situation left to him by his predecessor in office, but it is hard at this time to visualize the considerations that led to the Ontario Hydro-Electric Power Commission giving a contract to take 85,000 horse power on October 1, 1932, increasing to 100,000 horsepower in 1936.

Why Was Project Started in First Place?

In fact the whole enterprise is difficult to justify on any ground. With the newsprint market going against it, Abitibi Power had no justification for entering into such an enormous enterprise except a desire to widen out its revenue sources as International Power had done. But a most inept time was chosen to undertake such expansion. Was the hand of the Abitibi directors forced either by government pressure or by the influence of contract-seeking promoters?

Without the government the proposition could never have been financed. The government provided, through the Hydro, a contract for power. Whether or not Hydro officers demurred at signing a contract for power they did not expect to sell, the government guaranteed the public power enterprise against loss. Premier Ferguson issued glowing statements about the enterprise.

It was thought that if Hydro would take from 85,000 to 100,000 horsepower from the project the pulp and paper company would be able to use profitably an additional 115,000 horsepower for steam conversion. It was estimated that the company then would not have had to buy a single ton of coal for its plants at Iroquois Falls and Smooth Rock Falls. Even this, however, hardly justified the company in gambling so much on the enterprise.

Province Guaranteed Hydro Against Loss

But the Ontario Hydro-Electric Power Commission apparently contracted definitely for a sure loss in the early years at least. There was not the excuse there would have been in 1929 when prospecting for base metals was active and development projects of all sorts needed power. The end of the boom had come, base metal prices had already fallen to a startling extent and newsprint prices and demand were beginning to fall off. The Commission had only one dependable contract in sight, that with International Nickel, and apparently that company has no present use for the power which it agreed to take and which it will continue to take in all probability. Commissioners evidently saw all this, and they entered into the contract only on an undertaking with the Provincial Government by which it was guaranteed against any loss on the contract. That is, users of Hydro power will not pay as consumers to make up the loss but as taxpayers they will have the

(Continued on page 3, col. 4)

"In Interest of Investor"

"You are to be commended on the quality of your paper. Your leadership in matters of interest to the investor is most valuable and the way you are enlightening the public on present day questions is greatly to your credit. Your articles on behalf of the bondholder are splendid. The small investor will lose faith unless the men at the top play the game, as it should be played. Business based on a square deal and a fair application of the old golden rule will do much to re-establish confidence in securities. Let greed continue and the future will indeed look dark."

—From a leading Regina business man.

Movie Will Show Britons Extent of Our Auto Plants

By Staff Editor

OTTAWA.—Delegates to the Imperial Conference are to be given a movie show and it is hoped by the Canadian government that it will be one that will open their eyes to the tremendous advances made by Canada as a manufacturing and exporting nation.

Some 23,000 feet of flim have been "shot" in the plants, show rooms and on the export docks of Canadian automobile plants. This has been carefully cut to 4,000 feet and some time within the next few days the film will be run off before the conference delegates by the Canadian Government Motion Picture Bureau.

Thus it is hoped the delegates, particularly those from Great Britain, will be given a picture of a nation that has become one of the workshops of the Empire and that has progressed beyond the stage of being merely a producer and exporter of primary products.

RUSSIAN BAN NOT WELCOME TO BRITISHERS

But Demand of Dominions Not Yet Thrown Out

From Our Own Correspondent

OTTAWA.—The Imperial Economic Conference has now reached an interesting stage. The next few days, however, will reveal whether it will be possible for it to achieve the generous measure of success hoped for by its sponsors or peter out in a series of compromise agreements of an unsatisfactory character. So far the spirit which has prevailed has been wholly admirable and there has been in every quarter a disposition to find points of agreement rather than to stress differences of opinion. Even the Irish Free State delegation, from whom trouble was foreboded, have shown a very conciliatory temper and not the slightest disposition to throw monkey wrenches into the proceedings.

The present position is that all the delegations, except Britain, have communicated to the others their proposals for the stimulation of inter-Imperial trade and the British proposals have been put in definite shape and may be made public by the time this appears.

The British have had a special meeting with the Canadians in the hope that Mr. Bennett will be in a position to give further particulars of his proposals. Hitherto he has been holding back and trying to extract from the British some definite commitment on the question of Russian competition to which he attaches major importance.

At this confidential meeting of the Canadian and British delegates, Mr. Bennett, ignoring the considered views of the grain trade of the Empire, asked for a small preference in the British market for Canadian wheat. Mr. Baldwin expressed surprise in view of the trade opinion but Mr. Bennett answered that he wanted something for the western farmers.

At this meeting, Britain placed her cards on the table, stating that the Russian embargo was impossible.

Britain is ready to give a small preference on base metals such as copper and lead.

Pressure on Premier

Undoubtedly certain manufacturing interests have become exceedingly nervous of the prospect that their tariff preserves may be sacrificed in the interests of inter-Imperial trade and they do not relish the idea. With the aid of some of their political allies, who are encamped in Ottawa, they have been exercising pressure upon Mr. Bennett to modify his original plans for a substantial lowering of the tariff barriers against certain lines of British imports and lining in dark colors the probable effects upon Canadian industry and employment and also upon the political fortunes of the Conservative party. It is thought unlikely that Mr. Bennett will succumb completely to this pressure but he may have to yield some ground and pare down his offer to the British.

The British are awaiting the details of his proposals with keen interest as upon them more than upon anything else the success or failure of the Conference will hinge. If Bennett offers a lowering of Canada tariff barriers against British goods to an extent that will offer a promise of substantial additional employment for British factories, then the British are prepared to take risks with food tax preferences. Wheat has been ruled out of the discussions for the simple reason that the western grain, in the briefs submitted by it to the Canadian Government, was almost in unit in declaring that, in its view, either a quota system or a preference scheme offered no advantages to Canada which could compensate for its disadvantages. But the British are now ready to consider the imposition of taxes on foreign meats, bacon and dairy products with free preferential entry for the Dominions.

Serious Political Step

In taking such a step the British Government will indeed incur serious political risks. At present the price of beef is very low in Britain and is bound to rise whether a duty is imposed on it or not. But if a duty is imposed and

(Continued on pagt 3, col. 5)

LEATHER MEN AGREE TO GIVE 15 p.c. LEEWAY

Satisfactory Agreement Reached Affecting U. K.-Canada Trade

By Staff Editor

OTTAWA.—Highly satisfactory arrangements between the tanning and leather industries of Canada and Great Britain have been arrived at and form the basis of representations now before the Imperial Conference here, The Financial Post learns.

The accord is considered highly satisfactory to both countries and as a result the British representatives have returned to Great Britain.

Broadly the plan of agreement calls for the placing of 8 or 9 items on the free list in Canada, and for the balance it is agreed that Canada shall have a 15 per cent advantage in the British market and Great Britain a 15 per cent preference in the Canadian market. The actual basis on which this 15 per cent preference shall be accorded was left for each group to decide. Thus, if British interests decide to urge a tariff on raw leather imports, Canada is to be accorded a 15 per cent advantage on whatever basis is used.

Would Raise General Tariff

Working out of this 15 per cent plan will involve in some cases an increase in the general tariff, it is learned. Thus, on item 604, which is an important one in the Canadian customs tariff, it is recommended that the British preferential tariff be reduced from 15 per cent to 12½ per cent. Also that the general tariff be raised from 25 to 27½ per cent, thus achieving a 15 per cent spread in favor of Great Britain as between the new general and British preference schedules.

In the past three years, Britain's average importations of leather and manufactures thereof have totalled $75,000,000. Canada's imports until last year totalled roughly $10,000,000, of which more than half is leather manufactures, chiefly boots and shoes. Virtually all British imports are in the form of hides and skins and of the total, Empire countries supply roughly 60 per cent. Australia and India comprise together about half the total British source of supply, while South Africa, New Zealand and Canada follow next in importance.

Tamblyn Sales High For First Six Months

Second quarter sales of G. Tamblyn, Ltd., were $941,715 as compared with $943,133 in the three months ended June 30, 1931. Sales in the first quarter were $1,014,100 and for the first half of 1932, $1,955,815.

Net profit in the second quarter was $33,760 as against $40,420 in the same period of 1931.

EMPIRE PLAN OF CURRENCY NOT POPULAR

Most of Groups at Ottawa Averse to Monetary Panacea

"CITY" IS OPPOSED

London Financial Groups Fear Tinkering Would Lead to State Scheme

By Staff Editor

OTTAWA.—Empire currency is promised a rough road at the Imperial Economic Conference. Despite the fact that numerous British industrial and commercial organizations have issued pamphlets and memoranda favoring some sort of united monetary policy for the Empire, it is apparent that the conflict of interest between the different countries represented at Ottawa is so great that no final, workable plan can possibly be evolved during the conference. Even the most vigorous proponents of stabilized Imperial currencies admit that this conference can do little more than start a discussion of the problem and adjourn the whole matter for consideration at some later date. It is to be noted that Mr. Bennett hedged skilfully on Empire monetary problems. His reference to agreeing on some plan to be made the basis of discussion in a larger world conference made it clear that he is no believer in Empire currency panaceas although he sees possibilities of international monetary co-operation.

How Countries Line Up

The position now seems to be that Australia, New Zealand, India, want some form of Imperial currency or, as an alternative, a scheme of exchange stabilization, while Canada, South Africa, Newfoundland and Great Britain are opposed.

That Britain is opposed (and this statement is, of course, quite unofficial) is one of the surprises of the conference.

The British industrial viewpoint has been strongly favorable to stabilization of all Empire currencies on some common basis to be determined. The feeling of British business men is that it is useless to attempt to effect any permanent preferential tariff arrangements without also providing for stability in the exchange rates between the countries that are party to those preferential arrangements, as preferences can be wiped out or increased overnight by any important rise or fall in the rate of exchange. The Midland Bank, largest of the British commercial banks, has warmly supported the proposal. The recently issued joint memorandum of the Federation of British Industries and the Trades Union Congress on the conference expressed the view of British business. It said in part:

"We should hope to see agreement among the nations of the Commonwealth with the object of establishing a sterling area in which there could be greater stability of prices, together with the other conditions mentioned above for encouraging the exchange of goods. If an agreement on these lines were reached we should then be glad to invite other nations seeking a similar objective to join with us in enlarging the area over which price stability and freedom of exchange would operate."

British Finance Opposed

The most surprising thing that has come to light at Ottawa, and it, of course, has come to light only in private conversations, is that the British delegation is not likely to favor a single currency system for the Empire and will content itself

(Continued on page 2, col. 4)

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Mining Still Booms

Exploration and development, particularly of gold properties, continue at an active pace throughout Canada. A special mining supplement, pages 11 to 18, tells of some of the important things going on. Chief features of the supplement:

- Gold production spurts ahead. 11
- Great Bear Lake is busy spot.. 11
- Sir John Aird on promoters and mining 11
- International Nickel 16
- Hollinger 14
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- McIntyre Porcupine 14
- Noranda 14

Money for Cities

Hard-pressed municipalities urged to take tip from public utilities, which raise money by customer campaigns. Page 5.

Ontario Holds Bag

Promoters of Ontario Power Service project fade from picture as taxpayers take over burden of premature development. Page 1.

Expensive Schools

Why our school bills have risen so sharply is well shown in story and chart. Page 9.

Panics of the Past

The depression of 1907 described. Canada came through it notably. Page 8.

State of Trade

Monthly business index shows modest decline but relative stability continues. Page 7.

The Conference

Staff editors contribute numerous articles from the Imperial Economic parley.

- Empire currency 1
- Meat, the key issue 1
- Russian embargo urged; British demur 1
- What Newfoundland wants ... 3
- Premier Bennett's excellent start; British withhold outline of policy; wheat kept in the background. See The Nation's Business. Page 1.

GYPSUM, LIME GOING AFTER U.K. MARKET

Aggregate Sales Down 30 Per Cent First Half of Year

EXPORTS SHOW GAIN

Negotiating With English Interests — Expect New Business from Waterways

From Our Own Correspondent

MONTREAL.—Negotiations are now in progress which may result in the widening of sales facilities in the United Kingdom for Gypsum, Lime and Alabastine (Canada) Ltd. No details have been made as to these overtures, but they are understood to be of considerable importance to Gypsum.

It is learned that during the first six months of the current year sales of Gypsum, Lime have decreased approximately 30 per cent from those reported during the corresponding period of last year. An important feature of sales this year, however, is that exports instead of registering a decline have recorded an appreciable increase.

Earnings Are Holding

Having in mind the marked decrease in Canadian building activity, the company has more than maintained its competitive sales position in the domestic market, and with the substantial reductions in operating expenses which have been made, current earnings are not unfavorable.

No details are available as to the trend of earnings this year other than that they are running somewhat behind those reported for the first half of 1931. During the whole of last year net earnings totalled $551,606. After providing for bond interest, depreciation, income tax and all other senior charges, there remained a net profit of $39,237. Dividends paid during the year amounted to $225,396, leaving a deficit of $186,159 charged against previous surplus.

Conserve Cash Position

In view of the necessity of conserving cash position the management deferred dividends on the common stock at the beginning of the year. This policy has enabled the company to maintain a good cash position to date. The last balance sheet showed a small bank loan of $35,000 on behalf of its subsidiary, the Crystalite Co. It is understood that the position in relation to bank loans continues favorable.

At the moment there does not appear to be any immediate resumption of building activity in the domestic field. There are a number of small jobs in the way of renovations, but construction on a large scale is limited.

It is unlikely that sales in the balance of the year will make any material difference in the company's operating or financial position. With a renewal of confidence and the extension of markets as a result of the present Empire Economic Conference, however, it is likely that next spring will see sales conditions on a better plane.

Look to Waterways

Meanwhile announcement of the St. Lawrence Waterways Treaty has drawn attention to possible benefits which may accrue to manufacturers of cement, gypsum and other building materials. Gypsum, Lime anticipates doing a substantial volume of business if this project goes ahead. The company possesses limestone quarry properties adjacent to the International waterways section and will be able

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SEAWAY POWER MAY BE READY BEFORE NEEDED

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000 h.p. each year until the entire installation is used in 1952.

The pact between Ontario and the federal government provides in the main, that in the event of the St. Lawrence treaty being ratified and undertaken, there will be made available to Ontario for development of power, all the Canadian share of the flow of water in the international rapids section of the river. Ontario will supply at cost to the dominion such power as is necessary for the operation of locks and other navigation purposes.

Cost is to be apportioned as follows:

(1) All purely navigation works to be built and paid for by the Dominion.

(2) All purely power works such as superstructures, power machinery and so forth, to be built, paid and financed by Ontario.

(3) Power house sub-structures to be built by the Dominion which will be reimbursed by specified payments from Ontario to cover the cost.

(4) Cost of works common to navigation and power to be divided between Dominion and Ontario so each will benefit from savings accruing from their joint construction.

Ontario Payment Fixed

In regard to the specified payments to be made by Ontario to the Dominion for the cost of power sub-structures and so forth, a definite sum has been fixed which will be due and payable in two installments and irrespective of the actual cost of such work to the Dominion. The first payment on account of the work at the upper dam at Crysler Island amounts to $27,115,700 and is payable Nov. 1, 1938. The second payment on account of work to be done by the Dominion at the lower and main power dam at Barnhart Island, is $35,846,800, payable Nov. 1, 1941. Minor items for engineering services and certain other works (estimated at $4,240,000) bring the total payment due the government to $67,200,000.

Flexibility is provided however in the stipulation that if demand for the power does not exist, both payments can be deferred for four years, the Crysler Island bill then becoming payable in 1942 and the Barnhart Island payment in 1945. In addition a year's grace is allowed in each case, making the ultimate date the obligations mature, 1943 and 1946. After that date if the Hydro is not ready to use the works and develop power, interest and carrying charges must be provided for.

It is not known whether or not the $67,000,000 which the province must pay the government on the dates mentioned above, includes interest and carrying charges or not. If not then the federal government will carry the load since these are fixed and unchangeable figures according to the terms of the pact. The government will bear the cost of this share of the work, at any rate until the Hydro payments are due.

Power Plant Costs Extra

In addition to the money Ontario will pay the Dominion, it is anticipated the province will have to expend $36,931,000 on its power machinery and equipment which after allowance for interest and carrying charges brings the total provincial obligation to roughly $120,000,000.

Other features of the pact provide that Ontario will be granted the right to eventually use the power available for development from the Ogoki diversion which under the terms of the St. Lawrence Treaty with the United States allows Canada to divert 4,000 cu. ft. per second into the St. Lawrence system and which it is estimated will eventually permit the development of an additional 520,000 h.p. at Nipigon, Niagara and the St. Lawrence.

The text, in part, of the statement published by the Hydro-Electric Power Commission of Ontario, follows:

"Briefly stated, Ontario's part of the programme for the International Section will entail an ultimate expenditure by the Hydro-Electric Power Commission of approximately $120,000,000. Arrangement is made for progressive payments. Without entering into details it may be explained. that works common to power and to navigation, as well as works for certain fundamental power structures, will aggregate a cost of some $67,000,000; but, here—unless power demands require earlier provisions for power — payments need not be made earlier than the year 1942, when approximately $28,000,000 is due and the balance of Ontario's contribution of about $39,000,000 will be made in 1945.

"At the earliest date, power could not be made available from this development in less than five years, and in the meantime the Commission has provided for ample supplies.

"The completion of the power works and equipment for providing Ontario's share of the power (including interest during construction and building up of market) will entail an additional expenditure of about $50,000,000, but this amount may be expended gradually as power demands arise. The total capital requirements are estimated to be completed by the year 1952, unless power demands entail an earlier date.

"The two-stage scheme adopted is essentially that reported upon by the commission under Crysler Island in 1921.

"The whole power programme has been considered from the viewpoint of Ontario's future needs. It is believed that sufficient latitude has been provided to take care of such factors as may govern in any circumstances that may arise."

Manitoba Six Per Cents Now Selling at Premium

Manitoba's 6 per cent bond issue of $5,000,000, sold two weeks ago, is now selling at a premium. This is due partly to the improvement in the general bond market and in part to the success of the British government action in converting a 5 per cent loan into a 3½ per cent bond.

It is hoped in Winnipeg that the large grain crop to be harvested will enhance the value of the province's securities.

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The Nation's Business

(Continued from Page One)

Bennett has simply defined a proper point of departure for the discussion and he has done it well.

We are reminded of the story of the salesman who had a wonderful morning's work, bagging orders right and left. He was so enthusiastic about it, he wired his home office at the noon hour giving the details. The reply he got from his sales manager read like this:

"Congratulations on morning's work. Will be interested in seeing what you can do this afternoon."

Mr. Bennett has already done a good morning's work. Canada will be interested in seeing what he does during the balance of the meeting.

British Refrain from Stating Policy

CANADA has stated in crisp and meaningful terms what it seeks and offers at the Imperial Economic Conference. Australia, South Africa, and New Zealand have done the same. India, Newfoundland and the Irish Free State have expressed their aims in sketchy fashion at least. The British delegation has been less explicit in its objectives. This is one of the surprising features of the first week of the great Imperial trade parley. It has led to some criticism, even in a conservative journal like the Montreal Gazette. It should be stated that the British will become more explicit at an early date.

Every country in the British Commonwealth is vitally interested in the success of the conference; every country wants definite results to issue; every country feels an obligation to define the issues and to settle possible differences. The bargaining over terms may be done behind closed doors but the development of the Empire and in fact its break-up or survival will be determined in the larger arena where public opinion is formulated. Therefore it behooves each of the delegations to make its case public. This the British did not do when the conference opened. Yet no nation at the Conference is more concerned with the results than is the United Kingdom.

* * *

THE new British Empire can survive only on a basis of economic integration. To effect this integration is the job of the present conference. None of the British nations is more interested in the survival of the Empire than is Great Britain. From an economic standpoint—forgetting for a moment other ties—Canada would survive the complete break-up of the Empire better than Great Britain could. Yet Canada has offered a concrete proposal to aid the conference to success and the British have not. The conference is not a place where the Dominions state what they are willing to pay for the favors they will ask from Britain. The situation would be more in accord with the economics of the present world situation if the positions were reversed.

If the conference is to have the backing of public goodwill in all the Dominions it is essential that the British take steps to declare their position and state what they are willing to do to retain the tariff preference favors they now enjoy, and may under certain circumstances continue to enjoy in increased measure in the future from the Dominions.

* * *

NO DOUBT Mr. Baldwin will make some more elaborate public statement shortly. The Canadian people feel that the British delegation have some definite contribution to make to this conference beyond a discussion of proposals from the Dominions. Confidence in this is strengthened by the fact that most of the unofficial British visitors represent powerful industrial, financial, agricultural and investment interests who have been specific in their suggestions.

Before Mr. Baldwin left England he made pointed references to possible over-industrialization in the Dominions. On his arrival here, he has hinted that the Dominions must go further than they have gone to retain the provisional preferences now given them by England. This would be discouraging to the Dominions were they not aware that back of this seeming indifference to Canadian opinion lies a profound British conviction of the necessity of firmer trade agreements to hold the Empire together.

It is Mr. Baldwin's move and he probably will not long delay in coming to the point.

Leave Wheat Alone, Plea of Experts

PRIME MINISTER BENNETT went to the Imperial Economic Conference of 1930 determined to find a market for Canadian wheat in Great Britain. At the present conference it is the view of almost all the groups interested in any phase of wheat growing or merchandising that the subject is best left off the agenda entirely.

When it was first suggested that Great Britain might offer to Canada and the other British Dominions a system of quotas for their natural products the idea found considerable popularity with many groups of people. But the quota system has manifold weaknesses in regard to specific commodities and special circumstances. It is now likely that the British will abandon their quota proposals, certainly with regard to wheat and flour, since the idea has, after examination, found little favor with the Canadian grain producers and marketers generally.

* * *

IT IS not apparent that any form of British preference on Canadian wheat or flour will be of substantial value to this country. One essential fact stands out; namely, that despite the huge purchases of wheat by the United Kingdom the Empire as a whole is a net exporter of wheat. When this fact is given due consideration it becomes obvious that the best interests of the Empire as a whole, as well as of Britain as an importer and Canada and the other Dominions as exporters of wheat, will be best served by maintaining a free and open market for wheat the world over. So far as Canada is concerned, it is more desirable that some of the restrictions that now hold in regard to the world marketing of wheat be removed than that we should obtain any special advantages in the British market. Quotas and preferences on wheat would tend to have the same ultimate effect as the unfortunate mistakes of the Canadian wheat pool; they would antagonize the large markets in which Canada and other Empire countries must sell their wheat surplus without ensuring any net increase in the price received by the producer for the small proportion of his production on which he might hope to gain some advantages.

* * *

FOR Canada, the essential fact to remember is that if we were to obtain the entire control of the entire British import trade in wheat we would still have, in normal years, a large volume of wheat to sell in foreign markets. The world price for wheat would continue to rule. We would be put in the position of having an easy market for some of our wheat but with increased difficulties in the sale of the balance. Those difficulties undoubtedly would develop through further import restrictions in other countries. And if we were to obtain the British market it would necessarily mean the exclusion of other wheats from that market and the balance of our production would suffer from more intense competition in Germany, France, Greece and other markets.

Things might be much different if we were a smaller producer of wheat and if our proportionate share of the British market were as small, let us say, as our share of the British market for bacon, meats, milk products, fruit, etc. In regard to such commodities as these, where the potentialities of Canada's sales in the British market remain largely unexplored, quotas and preferences may prove of inestimable value. But with regard to wheat and wheat flour, Canada remains unconvinced of the value of quotas and preferences in the United Kingdom market unless they can be devised upon some ingenious system that has not yet occurred to any of those experts who have been studying the question and airing their views in public discussion.

Wheat is Canada's chief export cereal. We have a small export trade in the coarse grains such as oats, barley, rye, etc. These are relatively unimportant, and our hopes of larger export markets for them rest largely in the possibility of expanding our export of these products in their finished form, which may be regarded as bacon, dairy products, etc. In Canada the coarse grains are animal food and it is therefore in the form of animal products that we want to export them.

LAKE O' WOODS DOING BETTER THIS SEASON

(Continued from page 11)

year has tended to bring about an improvement in sentiment and business which may be reflected in larger earnings for Inter City Western this year. Up to date returns have been very fair considering economic conditions.

Both of these bakery units provide Lake of the Woods with a valuable outlet for flour. These subsidiaries have units operating in the larger cities in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. Their volume of business is substantial, a factor of importance to Lake of the Woods' plant operations this year.

Stock Interest Quiet

Investment interest in Lake of the Woods has been quiet for some months past. No dividends have been paid on either the preferred or common stock this year. The former is currently quoted at around 35 and the latter at 7.

In addition to the capital stock, Lake of the Woods has issued $4,000,000 of first mortgage bonds, which are held by the banks as collateral against advances made to refund the company for capital expenditures in connection with payment for bakeries controlled. These bonds were created on May 1 last year.

EMPIRE PLAN OF CURRENCY NOT POPULAR

(Continued from page 1)

with discussing the universal problem of the price level and with making such progress in the establishment of a larger field of influence for the British pound as can be achieved without interfering with the peculiar problems of Canada and South Africa.

Recently there has been a very pronounced flight from the rising tide of currency panaceas and Britain has come around to the view that the gold standard is the best international standard after all. The City of London has been disturbed by the many new fangled notions offered by monetary economists, amateur and professionals. British financiers see in them definite steps in the direction of state control, and they feel that if the governments of the Empire attempt, by legislation, to achieve a single monetary system, it will not be long before the logical step of state-owned central banks is urged. Thus, the financial interests of London have made it clear that they do not want Empire currency to become too live a topic at Ottawa.

The Australian, New Zealand and Indian delegations are strongly behind the proposal for an Empire currency system. Australia and New Zealand find the burden of their interest payments a very serious one at a time when the British pound is at a large premium. Most of the external debts of these nations and of their private citizens are payable in British currency. Obviously currency stabilization would provide a lessening of the burden of these two debtor countries as well as a stimulus to the freer inter-change of merchandise. Mr. Bruce, of Australia, who made the opening address on behalf of his country, referred in very definite terms to the need for restoration of the commodity price level and he felt that what might be accomplished at Ottawa in respect to currencies would be the forerunner of a general international conference which would lead to the restoration of commodity prices.

Mr. Coates, for New Zealand, was more specific and more emphatic. He argued that what all the states comprising the British Empire urgently need is the level of sterling prices which would enable the trading nations to continue settling their debts and advancing their common interests through London.

India Wants One System

India is greatly interested in the question and, while its problem is different from that of Australia and New Zealand, it strongly favors a single monetary system for the Empire. Sir Atul Chatterjee, head of the Indian Delegation, declared that India regards the monetary problem as one of vital importance and he emphasized the inter-relationship of the monetary standards of the Empire and the desirability and feasibility of restoring and stabilizing the general level of prices and achieving stability of exchanges.

South Africa is opposed to any scheme of Empire currency largely because its large output of gold directs its interests toward the maintenance of the traditional gold standard. Finance Minister Havenga, of South Africa, expressed the opinion that an Empire currency, based on one common unit of value, must be unfruitful and he urged that the best interests of the world at large as well as the British Empire would be best served by an early restoration of the gold standard.

Canada is Uninterested

Mr. Bennett, speaking for Canada, gave only indirect clues as to his own opinion on the matter of a common Empire currency system, although it may be taken for granted that he is too well aware of the peculiar position of Canada in respect to the matter to subscribe to any of the panaceas that have recently been suggested by British interests. This does not mean that Mr. Bennett would refuse to assent to the establishment of a central bank in Canada which would work as closely as possible with the central banks of other British countries to maintain as great a degree of exchange parity as possible.

Canada is at the moment, anyway, more interested in the rate at which its dollar sells in terms of American dollars than in the rate at which its dollar sells in terms of the British pound or any currency in the Empire. This is recognized by the Canadian delegates and while they will listen sympathetically to the proposals of Australia and New Zealand for a common monetary policy for the Empire, they will not give them their warm support.

Newfoundland's position is dictated by Canada's policy, since its banking is part of the Canadian banking system.

GYPSUM, LIME GOING AFTER U. K. MARKET

(Continued from page 1)

in addition to supply large quantities of manufactured materials as well.

No major capital expenditures have been carried out by the company this year. In 1931 Gypsum, Lime spent over $100,000 on the electrification of the Beachville limestone quarries, which had the effect of reducing production costs by at least 25 cents a ton. In addition about $60,000 was expended on washing and loading equipment at the St. Emilie, P.Q. sand plant.

At present the company's manufacturing plants are equipped for low cost production and the management anticipates better returns when conditions undergo an improvement.

Marked interest in the stock of Gypsum, Lime has been quiet of late. There is a good undertone, however, and steady absorption of the stock at around 3. Other stocks in this group occupy much the same position and investors show an apathy toward them. With a definite improvement in building activity more interest will likely be shown in the securities of building material manufacturers.

MEAT TAXES FOR BRITAIN PARLEY CRUX

(Continued from page 1)

Then on Friday night, Premier Bruce of Australia placed the foodstuffs issue squarely in the limelight by his lengthy statement setting forth the Australian viewpoint. He stressed the fact that what his country had to offer was conditional on "reasonable reciprocity." Meats, dairy products, fruit, wheat and wool were particularly mentioned and on meats the point was particularly driven home that: "Australia requests, and indeed must firmly press, for effective assistance from Great Britain."

New Zealand and S. Africa

New Zealand had previously made her point in this regard when Mr. Coates on opening day said his delegation was prepared to discuss the application of the principle of the quota to selected articles of import into New Zealand. He added:

"New Zealand is concerned at the threatened flooding of the markets on which we rely. In respect to dairy produce, meat, including pig products, and fruit, we think that a quota on imports from foreign sources into the United Kingdom is urgently necessary.

Following the Australian declaration, South Africa lined up strongly alongside Premier Bruce. Following the slump in wool prices, said Mr. Havenga, and the instability of the maize market, South Africa was turning definitely to the meat trade. She looks for an outlet in the British market, given some assistance in developing this business. Mr. Havenga admits his country is not yet ready to hope for any considerable purchases, but states his willingness to aid Australia in seeking a curtailment of British purchases in Argentina, and hopes that when the British market is enlarged for Empire beef, South Africa will be in a position to get a share of it.

Some idea of the magnitude of the British market in beef, mutton and lamb and bacon and hams, may be gained from the following figures showing foreign and Empire purchases of United Kingdom in the past four years.

Meat Imports into United Kingdom

	From Foreign Countries £ (c.i.f.)	From Empire Countries £ (c.i.f.)
Beef:		
1928	25,755,685	3,196,452
1929	26,788,921	2,325,947
1930	25,425,334	2,356,679
1931	23,270,000	2,230,000
Mutton and Lamb:		
1928	6,866,665	12,593,566
1929	6,900,581	12,179,863
1930	6,226,810	13,531,528
1931	5,023,764	13,233,377
Bacon and Hams:		
1928	40,145,629	4,311,774
1929	44,763,630	4,451,878
1930	43,305,557	2,806,750
1931	34,656,000	1,697,000

Analyzing this potential market, Australia is most hopeful of increasing her beef and mutton sales; New Zealand her lamb and mutton; South Africa her beef and Canada her bacon and live cattle. A few months ago the Empire Meat Committee of the British Empire Producers' Organization went on record as favoring regulation of meat imports into the Empire. Features of this proposal are: a minimum preference of ¾d. per pound on Empire beef, mutton, pork, veal, bacon and hams and of 1d. per lb. on Empire lamb, combined with power in the U. K. government to regulate the volume of imports so as to meet the seasonal requirements of the home market with preference to Empire supplies. This manifesto was widely supported both in Great Britain and within the Empire by leading organizations.

With Canada's chief interest lying in bacon, hog-raising and packing industries in this country are hopeful that granted some measure of preference either by quota or tariff. western farmers would find incentive to raise hogs as a permanent profitable business instead of intermittently, as at present. Britain's bacon imports in terms of "hogs" now average 200,000 weekly. Of this total Denmark currently supplies 130,000 hogs; Irish Free State 20,000 hogs and Canada about 5,000. The latter figure has been achieved after many months of export endeavor.

Analyzing the Empire position in each of these three groups, the following comments by L. St. Clare Grondonna, who in "Empire Stock Taking" has made a wide study of the whole Empire picture, is of interest. He says:

Beef and Live Cattle—Total average consumption of U. K. is about 28,000,000 cwts. annually. Of this in the period 1925-28, 42 per cent was homegrown and killed; 12 per cent was imported live and killed in U. K.; 34 per cent was imported chilled; 11.8 per cent imported frozen and only .14 per cent imported fresh. About 60 per cent of total needs were supplied from within the U. K. and by Overseas Empire countries. The annual average payment for all forms of beef imports was £44,000,000 of which £17,000,000 went to Empire countries and £27,000,000 to foreign countries. Of the latter total £13,554,000 was paid for cattle imported on the hoof, of which £13,536,000 was spent within the Empire, chiefly to the Irish Free State.

"If the whole of the Overseas Empire's exports had come to the U. K. they would apparently have fallen short of requirements by 8,200,000 cwts. or 74 per cent in 1929 and by 8,700,000 cwts. in 1930. Until Australia is brought (by science) into the chilled beef zone or until that country contrives to overcome the present necessity for transporting her beef in frozen quarters, Britain will continue to rely on the South American Republics for the great bulk of her imported supplies.

"Practically all live cattle exported from the Irish Free State come to the U. K.—739,000 in 1931; Canada consigned 27,000 head in 1931 to U. K. and 20,000 to other countries. There is no question about the Overseas Empire's capacity ultimately to provide ample supplies of beef for the British market. The difficulty is in relation to transport owing to the consumer's preference for chilled beef against frozen beef in quarters."

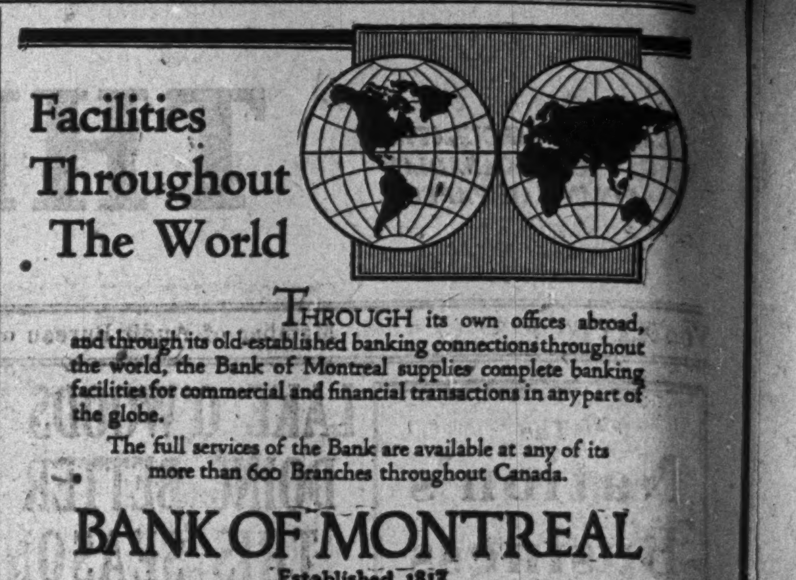
Mutton and Lamb—Average annual requirements (1925-1928) of U. K. are about 11,000,000 cwts. annually. Britain supplies 46 per cent, and of the 5,785,000 cwts. imported, 63 per cent came from within the Empire and the remainder from foreign countries. Thus Empire and home supplies made up 80 per cent of total requirements. Annual average bill was £20,629,000.

"If the whole of the Overseas Empire's exports had come to the U. K. they would apparently have fallen short of requirements by rather more than 2,000,000 cwt. in both 1929 and 1930, the percentage shortages being 35 per cent and 28 per cent respectively. Imports from the Empire showed a remarkable increase in 1931. There is no physical reason why the whole of Britain's imported needs could not be secured from within the Empire in a few years. Neither mutton nor lamb is adversely affected by freezing."

Bacon and Hams—Annual average requirements of U. K. from 1924-1927 totalled 13,000,000 cwts. About 30 per cent were home grown and of the imports, 83 per cent came from foreign countries and only 17 per cent from the Overseas Empire. Annual bill for imported bacon was over £3,000,000 more than that for imported beef and amounted to £47,329,000 of which £38,661,000 went to foreign countries.

"We continue to become increasingly dependent on foreign sources for supplies and not only does the volume of imports from the Overseas Empire progressively decline, but the total exports from these sources also declines. For some unfathomable reason Great Britain apparently imports from the Overseas Empire more bacon and ham annually than the total exports of these countries."

The concluding comment of the Imperial Economic Committee report on pig products is enlightening; "the Empire farmer at home and overseas can, if he will, secure by far the greater part of his British market but if he desires to do so he must make his production at least as efficient as that of his most competent foreign rival, and must bestow at least equal attention on organization."



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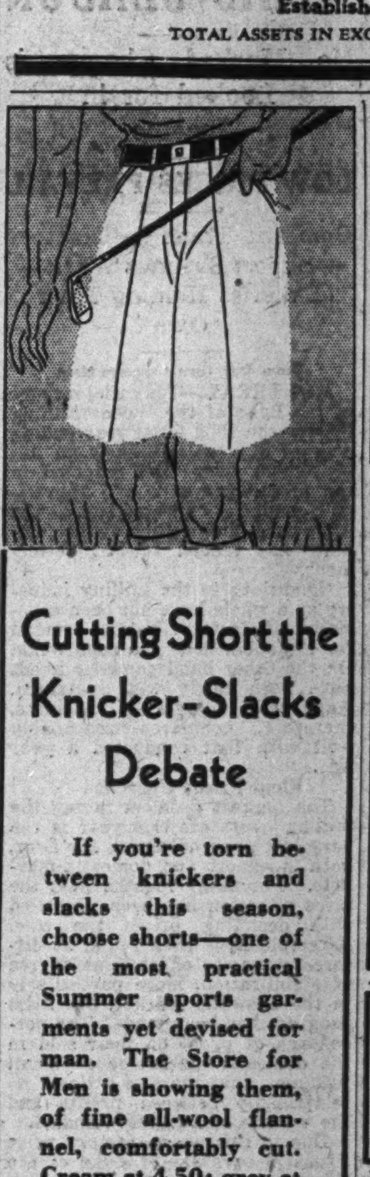

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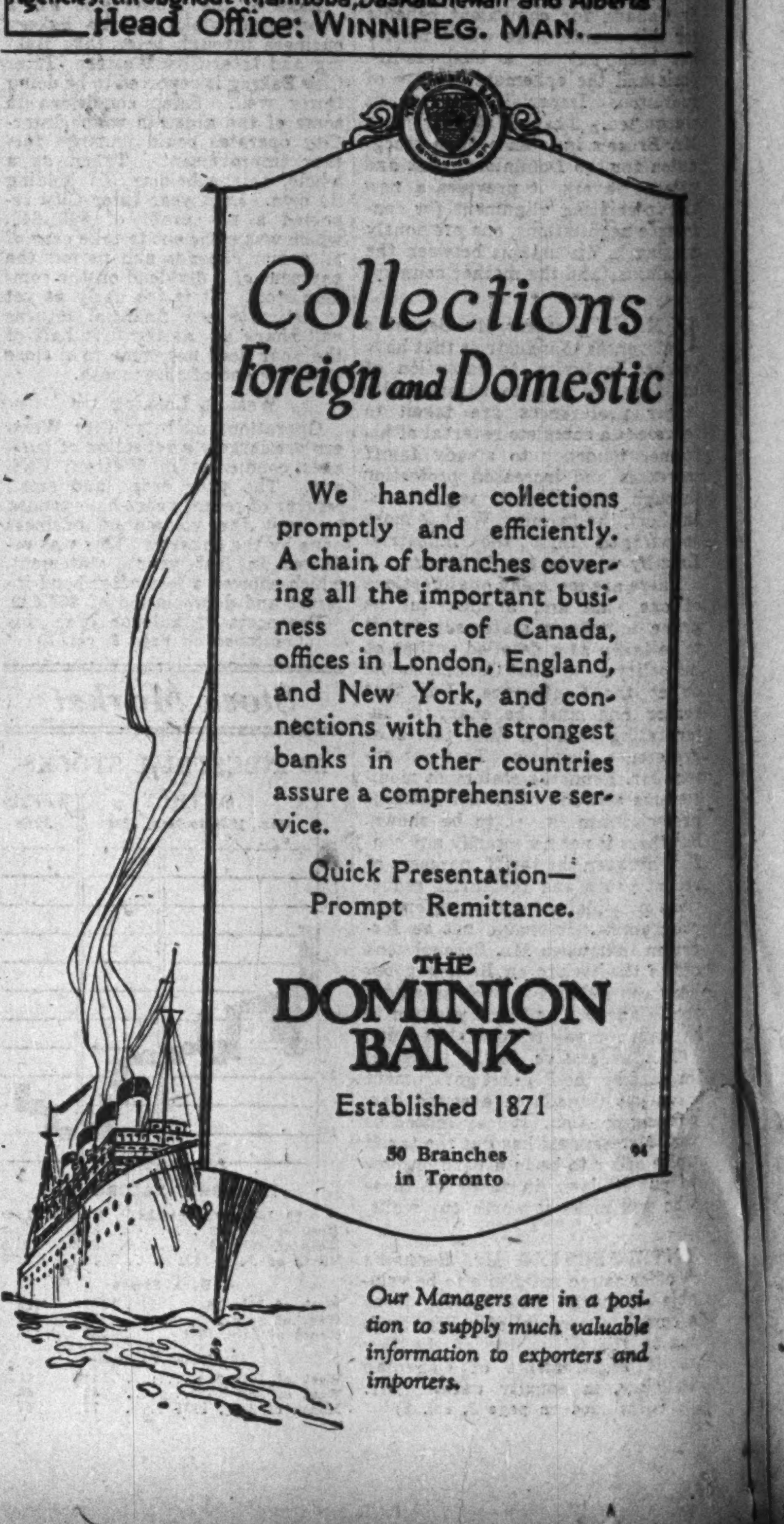

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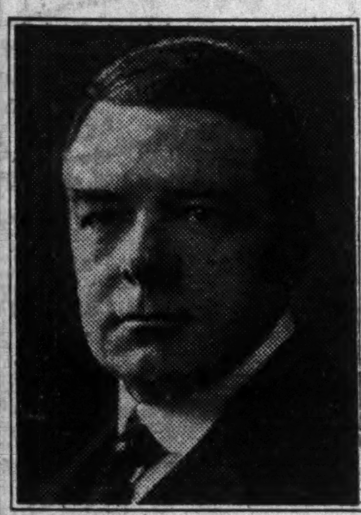

Hon. P. R. DuTremblay, K.C., M.L.C., newly elected president of "La Presse," the great French language paper of Montreal, in succession to Arthur Berthiaume, recently deceased.

From Our Own Correspondent

OTTAWA. — Newfoundland has sent a strong delegation to the Imperial Economic Conference. It was not easy to arrange for Newfoundland's representation as the new government of Premier Alderdice has just installed itself in office. The cabinet has just been chosen and the trade policies of the government have not been given any substantial consideration. Nevertheless, the Hon. L. E. Emerson, minister of justice, speaking for Premier Alderdice, presented to the opening session a most interesting summary of Newfoundland's position and he made it quite clear that what Newfoundland might hope to get out of the conference was quite different from the objectives of any other one of the Dominions and that what Newfoundland had to offer was likewise somewhat restricted.

Newfoundland's three economic interests, so far as they relate to the Conference are, iron ore, fish and paper.

Position of Iron Ore

Newfoundland is the home of the famous Wabana iron ore deposits, controlled by the Dominion Steel and Coal Corporation. The iron ore from these deposits on Bell Island is sold largely in Canada, where it is converted into iron and steel at the Sydney plants of the corporation, and on the continent of Europe, chiefly in Germany and Belgium. Only at scattered intervals has any substantial export trade been carried on with the British Isles. Recently the Dominion Steel and Coal Corporation obtained a good contract from the Ford Motor Company of England and large shipments were made under this contract until a very recent date when the decline in production in the motor car industry greatly reduced the Ford Company's needs for ore. It is understood that the ore is being mined under this contract on a restricted scale and is being stored at Wabana for shipment at a future date.

The Ford contract has aroused the interest of the Newfoundland government in the possible extension of this trade with the United Kingdom. The question will undoubtedly come up at the Conference and the Newfoundland government will endeavor to enlist the co-operation of the British government in an extension of the trade. The hope is, that 2,000 men may be put to work full time at Wabana. At present 500 men are on one-third time.

This year the situation is most unsatisfactory and it is likely that only about 150,000 tons of ore will be sold although 1,450,000 tons were sold in 1930 and this was not the high record.

At the moment the question of tariff preferences is not the primary one. It is felt that not only would the British be averse to granting a preference on Newfoundland ore but that more important obstacles to the larger sale of the product must be removed. One of these is the fact that the British iron masters are largely interested in the iron ore mines of Spain from whence they get the major portion of their supplies. In this respect the situation is not unlike that of copper where the supply comes largely from important foreign but British-owned mines. This is, of course, not an insurmountable obstacle and is overshadowed by another important practical consideration.

The iron ore from Newfoundland is shipped to Rotterdam and other ports in boats of six to ten thousand tons capacity and no facilities exist for quickly unloading boats of this size at the English ports where iron ore enters the country. It would take about ten days to unload one of these ten-thousand-ton boats at the English docks as opposed to about 30 hours in Rotterdam. Moreover, no return cargo would be available, whereas in the case of the small boats plying the route between Spain and England return cargos of coal are carried. The Newfoundland delegates to the conference will probably outline all of these facts and endeavor to obtain from the British government an assurance that an effort will be made to remove the obstacles referred to.

Fisheries at Conference

Newfoundland does not hope for any substantial enlargement of the British market for its dried and salted fish which has been, for many years, the chief source of revenue of the people of the country and has only recently been supplanted by paper as the chief export product. At one time Newfoundland did sell its cod fish in Ireland and in the south of England but this was in the days when transportation was inadequate in these parts and a steady supply of fresh meats and other foods was not available. Today Great Britain is itself an exporter of dried and salted fish in competition with Newfoundland. The important present markets for Newfoundland fish are in Mediterranean countries and in Brazil where the intense heat, the lack of development generally, and the necessarily frugal dietary habits of the people make a well-preserved, low-priced food such as salted fish a boon to the populace. Recently, new competition has developed in the form of chilled and frozen meats from Argentina and other countries and it is apparent that if Newfoundland is to continue to hold these markets it will have to develop, over a term of years, an adequate system for shipping and distributing cold storage fish products and canned fish products. In any event, the British and Canadian governments can do very little to enlarge the markets for fish in the form in which it is now largely sold.

Where Britain Can Help

Fresh and frozen salmon and cod liver oil are another story. Newfoundland has been the pioneer in the development of modern systems for processing, packing, and marketing chilled fish and has developed a good trade with the United Kingdom. Recently, Russia has learned to copy the Newfoundland methods and very keen competition is experienced by the Newfoundland exporters in the British market. Thus the bogey of Russia appears on the Newfoundland scene just as it does in most of the other deliberations of the conference.

Seek New Paper Mill

Newfoundland's paper mills have recently been operating at well over 100 per cent of their nominal capacity and little that could be done to enlarge the markets for Newfoundland's paper would be of value to the Island Dominion so far as the present mills are concerned. But Newfoundland has ambitions of still a third and greater newsprint paper mill to operate alongside the Grand Falls development of the Anglo-Newfoundland Development Company and the Cornerbrook development of the International Paper Company. To make the Gander project possible it will be necessary to find larger British markets for Newfoundland's newsprint as the United States market is already swamped with newsprint paper.

Newfoundland may not decide to initiate discussions on newsprint as very active negotiations on the question are going on between the Canadian and the British producers acting unofficially but no doubt reporting to their respective delegations. If Canada is able to obtain any preference for Empire-made newsprint in the British market it will have a profoundly favorable effect upon Newfoundland.

The speech of the Hon. Mr. Emerson, outlining the position of Newfoundland at the conference, follows in part:

"In dealing with the problems with which the conference is faced, I have to point out at the very outset that Newfoundland's position is, speaking generally, upon a footing very different from that of her sister Dominions. Her population is small, her resources, although large, are only partially developed, and the population is widely scattered over a long and heavily indented coast line. None of these conditions affect to a like extent the relations between themselves of the other nations whose representatives sit at this conference. We still look to the outside world for capital, for finance and for most of the articles of daily use and consumption.

No Banks of Her Own

"For example, one of the most important items is the money standard of the Empire. In Newfoundland all the banking and financial arrangements are made through the four largest banks in Canada. We have no banks of our own. The rates of exchange on London or New York are settled for us in Montreal by conditions of the trade of Canada with these centres, so that in dealing with Imperial currency, our interest at present is, as it will be for very, very many years to come, bound up with that of Canada. We follow her decision at this conference on this question with keen interest.

"The main object of this conference is to increase the trade between every country of the Commonwealth with the other and, in so far as possible, to accomplish this end without decreasing the trade at present done with other countries. The spectre of trade depression, with its consequent evil of unemployment, has made us turn our eyes inward. As members of a large and dispersed family we seek in time of distress to help one another. Various specifics have been suggested, Imperial free trade, Imperial preference and so forth, but whatever may be the panacea which will ultimately cure the ills from which we suffer, it is clear that this conference will consider as its basis variations in our respective tariffs.

Tariff Is Revenue Source

"In all your countries, the tariff is used for the two purposes of protection for your industries, and for the raising of revenue. In Newfoundland the situation is different. Customs and excise receipts are at least seventy-five per cent of our total revenue. The geographical and other characteristics of the country make it impossible to collect any substantial portion of our revenue by direct taxation. A revision downward of our tariff in favor of our Imperial partners, desirable though we may consider it to be, is therefore an object very difficult to accomplish.

"Our export trade goes almost exclusively to countries outside the Empire. Our fish, our most valuable industry of all, to the extent of almost two-thirds goes to southern and southeastern Europe and to Brazil. Of our newsprint over one-half goes to the United States of America, and of our minerals over two-thirds has of recent years gone to Germany, Holland and Belgium. On the other hand our purchases, as to two-thirds, are made within the Empire.

"You will understand from this cursory summary how difficult it is for us to do what we would like to do, viz: to offer general exchange of tariff privileges between you and ourselves.

Special Conditions Prevail

"There is no reason, however, why the balance of our imports should not be purchased within the Empire, and particularly from England and from Canada. While it might not be possible to revise the tariff downward, there would seem to be no reason why this balance should not be directed into Commonwealth channels by a restriction upon imports from other countries in exchange for their assistance in solving the problems with which we are faced. I stress this suggestion especially when I feel that its acceptance will not ultimately entail any sacrifice upon the acceptors. In order to explain to those of the conference who are not familiar with the special conditions to which my comments have been directed, I again will illustrate my point by a couple of instances which Newfoundland will ask the conference to consider.

"In Bell Island there are vast iron ore deposits operated by a company using capital obtained from England and Canada, employing men exclusively from Newfoundland. This company exports a portion of its ore to Canada, where it uses Canadian coal, and Canadian labor in manufacturing steel and the by-products from the ore. Its capital is British, its ore is British, its labor is British; its product is distinctly and completely British, but for years the company has been able to find a market for a very large portion of its production at Bell Island only in Continental Europe. On the other hand the steel manufacturers of Great Britain are and have been for many years using ore obtained from countries outside the Empire. This is a subject calling for consideration at this conference.

Sell Outside Empire

"Again in a general way may I refer to the competition with which we in Newfoundland are faced in trading in round and sawn lumber. The present government has not yet settled any policy as to the development of our vast timber territories in Newfoundland and in the Labrador. If it is decided that the export of unmanufactured timber is to be permitted from Newfoundland or from Labrador, we will be forced to sell to the countries outside of the Empire unless the conditions of import into England are changed.

"Finally, by way of explanation of my submissions, Newfoundland has been of recent years the pioneer in the most modern method of chilling salmon and other fresh fish. The competition we have had to face in one of the biggest markets of the world is making it increasingly difficult for our country to sell this product."

The Newfoundland delegation is headed by Hon. F. C. Alderdice, premier, and Hon. L. E. Emerson, minister of justice, with W. J. Carew, as secretary. H. J. Hutchings, deputy minister of customs, J. H. Perron, deputy controller of the treasury, and John P. Powell are expert advisers.

In addition, the Newfoundland Board of Trade has sent as advisers Hon. F. MacNamara, its president, C. Noonan and Wilfred Dawe.

BRITISH TARIFF DAIRY PRODUCTS OPENS BIG TRADE

U. K. Importations of Butter and Cheese Total $315,000,000

From Our Own Correspondent

OTTAWA.—Great Britain's willingness to give Empire countries a slight additional preference on butter and cheese, over and above the 10 per cent preference now accorded under temporary British tariff schedules, affects trade estimated at roughly $315,000,000. Previously Australia, New Zealand, Canada and Irish Free State had reached an agreement that such preference was desirable.

Britain's annual importations of dairy products total over $315,000,000. Of this total, butter importations represent roughly $240,000,000 and cheese imports comprise $70,000,000. Condensed milk imports of roughly $5,000,000 complete the total. In butter, Empire countries supply 45 per cent of total British imports with New Zealand leading, followed by Australia, Irish Free State and Canada. New Zealand and Canada dominate the British cheese market which uses over 85 per cent Empire product.

Present Preference Good

Under the temporary British tariff schedule, Empire-produced dairy products are allowed free into the United Kingdom while a tariff of 10 per cent is levied against foreign product. This has been advantageous to the dominions and it is hoped that it will be continued in some way. Some quota plan is also being discussed.

Since the British tariff against foreign condensed milk came into effect large orders have been placed in this country by British firms, and some plants have had to considerably increase their milk purchases to supply the demands. This is regarded as an important development, as more money is left in the country than when the milk is made into either butter or cheese.

Canadian cheese has always commanded a premium in the British market but in spite of a steady demand, Canadian exports to Britain are now but a third of what they were 20 years ago. Lately there has been a distinct revival of cheese making in Canada and if Ontario's plans for modernization of the industry in that province, materialize, the basis for an improved and increasing output will be laid.

Details of Britain's imports of butter and cheese in 1931, follow:

Imports of Dairy Products into U. K., 1931

Butter	Pounds
Soviet Union	45,289,328
Finland	28,455,952
Estonia	14,043,008
Sweden	23,714,096
Denmark	276,196,256
Netherlands	10,765,104
Argentina	41,991,600
Irish Free State	42,675,136
Australia	174,567,456
New Zealand	216,728,696
Canada	8,656,900
Other countries	20,892,172
Total	903,970,704
Cheese	Pounds
Netherlands	18,840,528
Italy	14,759,696
Australia	7,620,032
New Zealand	193,943,792
Canada	79,153,200
Other countries	8,775,536
Total	323,092,784

Research Work on Wheat

A thorough investigation of the economic possibilities of treating wheat for its commercial contents, involving the testing of various grains in a determined effort to discover the possible existence of by-products which might lead to the development of new Canadian industries will be undertaken shortly by the National Research Council of Canada and the National Research Laboratories in Ottawa.

Ottawa Power Gross Income Above Last Year

From Our Own Correspondent

MONTREAL.—Gross revenue of Ottawa Light, Heat and Power Co. for the first half of 1932 was about 15 per cent in excess of that reported for the same period last year. Net income up to the end of June was well in excess of current dividend requirements, which amount to $307,500 annually for both the preferred and common stocks.

The bulk of Ottawa Power's business is derived from residential and commercial lighting load. As a consequence its gross earnings have not been effected by reduced consumption under large power contracts as is the case of many public utilities.

The situation is further strengthened by the fact that the improvement in gross income this year has been effected despite rate adjustments brought into effect last autumn. On the other hand, the company has had the benefit of its power development which has been operating since the beginning of the year.

Returns for July and August are expected to be affected favorably due to the Imperial Economic Conference now in session at Ottawa. The increased load will possibly carry through to the heavy power consuming fall and winter months, with the results that figures for the full year are likely to show up particularly well in comparison with those for 1931.

Ontario Power Deal Blow to Taxpayers

(Continued from page 1)

privilege of joining with all other taxpayers in making good any loss.

One part of Premier Henry's statement needs elucidation. He said in the course of his announcement:

> "At present the Commission has sold 16,000 horsepower. The Commission had agreed to sell to the Abitibi Power & Paper Co., Ltd., and its subsidiary, Abitibi Electric Co., Ltd., 45,000 horsepower but owing to the financial position of Abitibi Power & Paper Co. and its subsidiary, no income can be expected from these contracts, for the present."

Contract Not Revealed in Prospectus

Now there was nothing in the prospectus on which the bonds were sold about Abitibi Power & Paper Co. buying back 45,000 horsepower of the 85,000 horsepower to be taken by Ontario Hydro on October 1, 1932. It is possible that such contracts did not then exist. Why were they made? And when? Abitibi Power, under its arrangement with the subsidiary, had the right to take from 140,000 to 155,000 horsepower for steam conversion. Yet under this arrangement it had to take another 45,000 horsepower. Of that 45,000 horsepower it is probable that Abitibi could use 10,000 horsepower at Espanola where it has several years' supply of wood to be ground up into pulp for newsprint; but no outlet for the remaining 35,000 horsepower can be seen except at Iroquois Falls and Smooth Rock Falls, which ought to more than adequately be supplied by the 140,000 to 155,000 horsepower referred to. It would seem that the contract must have been forced on Abitibi Power in order to save the government's face in having agreed to guarantee Ontario Hydro against loss on the contract.

The Financial Post some months ago heard many rumors that such an arrangement to buy back power had been made. A representative of The Financial Post checked up in Corporation, Hydro and government circles, but could not get confirmation. In fact it got straight denials. If this purchase of power was a good bargain, why all the secrecy! Abitibi executives may have considered themselves justified in not telling about it on the ground that it was no business of the general public what contracts it entered into; but Ontario Hydro Electric Power Commission is most decidedly the public's business and at both Hydro and government offices flat denials of the existence of any such contract was given. Apparently such a contract or such contracts were favorable to Hydro as showing further outlets for power, but only apparently. What was it to get for such power? On what dates were the contracts entered into? It might get $21 or $22 per horsepower at Espanola for 10,000 horsepower needed there, or whatever amount that plant might need? But for steam conversion the price per horsepower has to be very favorable before coal could be displaced. Apparently too the extra 35,000 horsepower would not get on to the Hydro Commission's transmission line at Hunta at all if it were to be used at Iroquois Falls and Smooth Rock Falls.

One of the prime movers in the promotion of this project was evidently J. Homer Black, who resigned his position as vice-president and general manager of Spruce Falls Power & Paper Co. to accept the position of vice-president of Abitibi Power & Paper Co. It was stated that he would be in charge of power developments of the company and Ontario Power Service Corp. evidently came under his immediate supervision. Later he dropped his connection with both Abitibi Power and Ontario Power and appeared as president of the Dominion Construction Corporation, which had the contract to complete the enterprise.

Ferguson Called It "Government Programme"

Premier Ferguson spoke in most enthusiastic terms of the prospects of the enterprise when it began. He spoke of it as "a further step in the government's advanced programme of making power available for all sections of the province and, particularly, for the establishment of new enterprises in the North country." Bondholders cannot be blamed for thinking the government committed to completion of the enterprise. Most bondholders would not have purchased without the assurance given by the Hydro contract and the government statements about the need of the project.

It is true that Premier Ferguson placed greatest reliance for future development on coal at Blacksmith's Rapids and clay and gypsum deposits known to exist near the James Bay extension of the T. & N. O. Railway. The power project was to cost $23,000,000 aside from $3,500,000 to be spent by Hydro for transmission lines and $3,000,000 for the railway extension.

The Financial Post believes, as already stated, that the project should be finished when so near to completion. The bondholders are in the present mess largely because of Premier Ferguson's effective initiative in starting the project. The Financial Post can also imagine use for all the power some day. But every new fact brought to light indicates that the rights of taxpayers have been grossly overlooked. It is just things like this which add to the growing burden of taxation at a time when profits are dwindling and people less able to pay taxes. Full light should be thrown on every detail of contracts and negotiations pertinent to this project because only by full knowledge of government blunders and by effective criticism can governments be prevented from starting on projects in the future which will mean loss to taxpayers. This whole project was premature and born out of too easy a regard for the public money.

It was the same sort of thing that gave Canada three transcontinental railways where two would have been too many. The original success of the C. P. R. has colored all Canadian political thinking and it has become too much the fashion to think that railways or power undertakings can be built into the wilderness and that advancing civilization will do the rest.

ANACONDA COPPER MAKES ALLIANCE FOR FOREIGN SALES

Breakdown of Copper Exporters Ltd. Leads to New Tie-up

Copper Exporters Ltd. which has virtually controlled the selling of copper in the foreign markets, has suffered a breakdown owing to the imposition of a four cents per pound tariff by the United States, and Anaconda Copper Mines one of the leading members has made a selling arrangement with the Union Miniere du Haut Katanga, the principal producer in South Africa.

Details of the new sales agreement are not available but the following cable was received by Anaconda from the Belgium head office at Katanga.

"Following the withdrawal of important units from Copper Exporters, Inc., conversations have lately taken place between representatives of Union Miniere du Haut Katanga and the Anaconda Copper Mining Co. They have resulted in maintaining and strengthening the close and cordial relationship existing between those two big producers."

In trade circles it is reported that with Anaconda's large Chilean properties, and the virtual exclusion of Chilean copper from the United States by the tariff, a closer understanding between Anaconda and Katanga with regard to sales of metal in Europe was undoubtedly found desirable.

As another effect of the tariff, it was announced that Pyrites Co., Ltd., subsidiary of Rio Tinto Co., an important British Copper Company, has closed down its plant at Wilmington, Del.

RUSSIAN BAN NOT WELCOME TO BRITISHERS

(Continued from page 1)

a year hence British housewives ask their butchers why it has risen, they will be told that the government is responsible because it has imposed a duty and if prosperity has not returned the Labor party might be presented with a good election cry.

Firmer on Russia

Strangely enough the British are less inclined to yield on the subject of Russia although the Dominions are almost unanimous in their demand for some check upon Russian dumping. For one thing they fear that an economic war with Russia would interfere with long-term trade contracts entered into by British firms and for another it might involve a complete sacrifice of the credits advanced under the Trade Facilities Act for the promotion of trade with Russia. Then in regard to the question of Russian timber there are formidable difficulties in the way of the imposition of an embargo. If Russian timber were barred from direct shipment to Britain there would be little difficulty in the way of having it shipped surreptitiously into Finland and Sweden and sold to Britain as Finnish or Swedish lumber, and Britain is not prepared to dislocate her trade relations with the other Baltic countries which are still very important.

However there has been no categorical rejection of the Dominion's demands about Russia and the issue has been referred to a special committee.

To Crystallize Penticton Cherries

The Co-operative growers at Penticton are going in for crystallizing cherries this year under the direction of an expert from the Dominion Experimental Station at West Summerland. Plans provide for treating 20 tons of Royal Anne cherries for consumption at soda fountains and as candied or Maraschino cherries. A good market has been assured for the product.

Ontario Government Offers to Buy Abitibi Canyon Bonds

Plan Embodies Sacrifice of Interest to October 1, 1932, Interest of 3½ Per Cent for Five Years, 4 Per Cent for Five Years and 5 Per Cent for Ten Years

After negotiations prolonged for months, the Ontario Government and representative bondholders of Ontario Power Service Corp., which owns an uncompleted power project at Abitibi canyon, have agreed on the Ontario Government taking over the enterprise. In exchange $18,000,000 Ontario Hydro-Electric Power Commission bonds, guaranteed by the Ontario Government, will be given for $20,000,000 5½ per cent of Ontario Power Service Corp. 20-year bonds, the Government guaranteed bonds to pay 3½ per cent interest for five years from October 1, 1932, 4 per cent for the next five years and 5 per cent for the next ten years. The Government has the right to call these bonds at par any time and the debentures will be payable as to principal and interest in Canadian funds only.

Deposit of 90 per cent of bonds of Ontario Power Service Corp. will be needed before the offer is valid. The Hydro commission under the exchange arrangement will take title to the property, transfer the property to the province and manage the enterprise on behalf of the province. Of the $840,000 needed to carry the enterprise when completed, it is unofficially estimated that $230,000 will be available from an International Nickel contract and that $610,000 annually will have to be carried by the taxpayer until business develops to take up the surplus power for which there is at present no market. Part of this may be made up if Hydro Power Commission can offer cheap enough terms for the surplus to Abitibi Power & Paper Co., which could at favorable rates use power for steam conversion. The latter company, however, has defaulted on its bond interest, and no one knows at present whether or not the company will be operating under a receivership when power is made available.

Current reports are that the Government will resume work if bondholders accept the present offer but completion will not be tried for until the spring of 1933. Toward completion of the contract the Government would get control of $2,000,000 now with Montreal Trust to spend in finishing contract, it will not have to pay July 1 interest of $550,000 and it saves another $200,000 by dating the bonds October 1, 1932. Another $2,500,000, it is intimated may be enough to finish work.

The complete text of the formal statement issued by Premier Henry was as follows:

Prime Minister's Statement

"For many years past the Government of the Province of Ontario has been studying the electric power needs of Northern Ontario with a view to encouraging development in that part of the province. Cheap power is required to stimulate the mining industry and particularly to encourage the development of low-grade mining properties which could not otherwise be developed. There has been an insistent demand from these sources for cheap power.

"At the canyon site of the Abitibi River there was the possibility of developing approximately 240,000 commercial h.p. A power lease providing for the development of this power was granted to Ontario Power service Corporation Limited, a company which is entirely controlled by the Abitibi Power & Paper Company Limited, which was then in a prosperous condition.

"In order to encourage the development and to meet the demand for cheap power, the Hydro-Electric Power Commission of Ontario was authorized to enter into a contract with the Ontario Power Service Corporation Limited for 100,000 h.p. at $13 per h.p., to be delivered to the commission at Hunta, just west of Cochrane, for a term of approximately 40 years, and the Government guaranteed the commission against any loss in respect of such contract. At the same time the Abitibi Power & Paper Company Limited agreed with the Ontario Power Service Corporation Limited to purchase from it for a term of 40 years all the power not required to be delivered to the commission.

$2,500,000 to Complete

"In July, 1930, Ontario Power Service Corporation Limited issued $20,000,000 twenty-year bonds bearing interest at 5½ per cent. The bonds were underwritten at 90, netting approximately $18,000,000, which was paid to the Montreal Trust Company as trustee, to be paid out for construction and interest during construction, and Abitibi Power & Paper Company Limited covenanted with the trustee to furnish any additional moneys which might be required to fully complete the development. The work is nearing completion, but it will cost approximately two and a half million dollars in addition to the moneys still in the trustee's hands to complete the work.

"Owing to the position of the newsprint industry, the Abitibi Power & Paper Company Limited is unable to supply any part of the moneys it agreed to furnish. It has made default in its bond interest; thus a serious situation has developed.

"Under these circumstances Ontario Power Service Corporation Limited requested the Government to consider some plan for assisting the company or for taking over and completing the work on behalf of the Government, and for some time the matter has been given serious thought by the Government and the Hydro-Electric Power Commission of Ontario.

Faced Liability

"Under its contract with the Power Company the Hydro-Electric Power Commission would be liable on completion of the plant to purchase 88,000 h.p. at $13 per h.p., a total of $1,144,000 per annum, and to increase the amount of power taken until in 1936 it would have to purchase 100,000 h.p. for a total of $1,300,000 per annum. At present the Commission has sold 16,000 h.p. The Commission had agreed to sell to the Abitibi Power and Paper Company Limited and its subsidiary, Abitibi Electric Company, Limited, 45,000 h.p., but owing to the financial position of the Abitibi Power and Paper Company and its subsidiary, no income can be expected from these contracts, for the present.

Ontario's Proposal

"The Government and the Commission consider that it is most important that the development should be completed, and the Government with the approval of the Commission, has finally decided as the most convenient way of getting title to the property to offer to the bondholders $18,000,000 of the Commission's twenty-year debentures in exchange for the $20,000,000 of outstanding bonds of the company, subject to the condition that 90 per cent of the issued bonds of the company are deposited for exchange.

"The debentures of the Commission will be dated October 1, 1932, and instead of bearing interest at 5½ per cent payable in Canadian or American funds will be payable in Canadian funds only; will bear interest at 3½ per cent, for five years; 4 per cent for five years, and 5 per cent for ten years with the right to the Commission to redeem on any interest day at par. These debentures will be guaranteed by the province.

"If a sufficient number of the company's bonds are exchanged, the Commission will be able by any legal proceedings to acquire complete title to the property thereafter. It is intended that the Commission will transfer the property to the province but will continue to manage it on behalf of the province.

Refused to Loan

"The Government rejected proposals that it should advance moneys to the company to enable it to complete on the security of second mortgage bonds or any subordinate security, believing that the property should be owned by the province outright.

"The plan proposed involves a considerable sacrifice on the part of the bondholders but the Government has been in touch with a large number of local bondholders or their representatives who have finally indicated their willingness to accept the proposed exchange and to advise other bondholders to do so.

"The details to carry out the exchange are now being worked out by G. T. Clarkson and Strachan Johnston, K.C., and a public advertisement will shortly appear giving the bondholders full information as to the steps to be taken to give effect to the exchange."

Premier Defends Bargain

Premier Henry, in later elaboration of his proposals, replied to the criticism that bonds could have been bought on the open market at 17 by stating that sales at low prices represented only necessitous selling and that Government buying would have been followed immediately by sky-rocketing of prices. Enquiry among investment bankers by The Financial Post elicited a general opinion that about 90 per cent of bondholders still retain the bonds bought in 1930 and that prices below 30 represented panic and necessitous selling.

Premier Henry estimates that original buyers of the bonds at 94 are sacrificing 30 per cent of their investment under the Government's offer, while those who bought recently at 60 would be getting 6 per cent on their money. Suggestions that activity in the bonds in recent weeks showed that some individuals had a pretty good idea as to what was going to happen, and that these profited considerably, are countered by statements in Government circles that no Government could prevent speculation in the bonds and on the probable outcome of negotiations.

Premier Henry also thought that the Government would never have to pay 5 per cent on the Hydro bonds now to be issued. In normal times when rates go below 5 per cent these bonds will be called in.

Capital Cost Low

With further reference to the bargain made by the province, Premier Henry is quoted as saying: "Power at the canyon will be available to the province at a capital cost of less than $90 per horsepower. It is the lowest cost of any major power development that I know of in the province. Power at Chippawa was produced for $140 and even the power which will be made available with the seaway project will cost $120. Throughout Northern Ontario there are large tracts of low grade ore deposits which are lying undeveloped simply because they cannot profitably be worked. A reduction in the cost of power such as will result from the canyon development will, I believe, make it possible to mine these ores and so open up a new source of wealth in the province.

Foresees Empire Apple Market

J. Forsythe Smith, Canadian Fruit Trade Commissioner, London, England, following a week's tour of the Annapolis Valley apple district, states the Nova Scotia apple crop outlook indicates an exceptionally high quality yield. With a marked preference for Empire-grown fruit, and the fact that the English crop will not be heavy, an optimistic outlook for overseas marketing is justified.

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Utilities and Transportation

POWER CORPS. INCOME DROPS FOR PAST YEAR

Expect Senior Charges Will be Covered—Market Rise Helps

From Our Own Correspondent

MONTREAL. — Earnings of Power Corp. of Canada during the fiscal year ended June 30 last are expected to be made public around the middle of September. Expectations are that the income account will show debenture interest earned and preferred dividends covered by a small margin. In the preceding year earnings available for the common were equal to $1.84 a share, but returns for the past fiscal year will be well under that figure.

An interim report on the company's earnings, covering the ten months ended April last, indicated gross revenue from securities and income from engineering and management fees at $1,684,362. This figure was arrived at after charging loss on sale of securities to depreciation reserve. In the corresponding period of the preceding year gross income totalled $2,180,395. Net income for the 10 months ended April 1932 amounted to $1,337,458, down from $1,782,423 a year ago.

Retire Some Debentures

The income position of the company will be affected favorably owing to the acquisition and cancelling of a substantial block of the debentures. By the end of April over $600,000 of the 4½ and five per cent debentures had been bought in and cancelled.

Considerable interest will be evinced in the company's report on its security holdings. At June 30, 1931, Power Corp. reported to the shareholders that the market value of its investments, aggregating about $46,500,000, was $4,662,609 less than that shown on the books.

Security Values Down

Since that time there is known to have been a considerable amount of switching in investment holdings. Many of the securities held, however, have shown a further depreciation in market value.

Early in February it was officially stated that the market value of the company's assets amounted to approximately $30,000,000, or around $17,000,000 less than shown in the balance sheet on June 30, 1931.

Principal Declines Listed

The principal decline in value of holdings has been in the securities of B. C. Power Corp., Brazilian Traction, Canada Northern Power, Foreign Power Securities, Italo-Argentine Electric, Shawinigan Water and Power, Southern Canada Power and Winnipeg Electric.

There has been an improvement in stock market conditions over the past few weeks, which has undoubtedly brought about an improvement in the company's position. But as the company's holdings are valued as of June 30 last, the betterment will not be fully reflected.

Set Up Big Reserve

In order to take care of the depreciation in its security holdings and strengthen the balance sheet position, Power Corp. recently secured approval from the shareholders of a by-law segregating the capital surplus. On the sale of 446,088 common shares, the company received nearly $18,000,000, which was carried on the books as capital. Of this amount $4,469,475 was set up as capital surplus and the balance —$13,500,000—created into an investment reserve which will be applicable to depreciation in the investment portfolio.

N. W. POWER BONDS FORM COMMITTEE

Holders Urged to Deposit Securities Before September 1

From Our Own Correspondent

MONTREAL. — Bondholders of Northwestern Power Co. are urged by the recently formed protective committee to deposit their holdings before September 1 so that concerted action may be taken on behalf of the bondholders. Deposited bonds, it is stated, must be in negotiable form and have all coupons maturing on and after July 2, 1932, attached. Interest due July 2 has not been paid; the bonds are guaranteed by Winnipeg Electric Co.

J. B. Woodyatt, president of Southern Canada Power Company, is chairman of the bondholders protective committee, which also comprises A. N. Drolet, director Banque Canadienne Nationale, Quebec; William Ferguson, of Kidder Peabody and Co., New York; Arthur H. Gilbert, of Spencer Trask & Co., New York; George de B. Greene, of E. H. Rollins & Co., New York; S. Kilpatrick, of Govett Sons and Co., London, England; A. J. Nesbitt, president Nesbitt, Thomson and Company Limited, Montreal; and John J. Rudolf, of A. Iselin and Co., New York. An additional member will be added to the committee representing other Canadian holders of bonds to a large amount. E. G. Smith, who may be addressed at Room 101, 355 St. James Street, Montreal, is secretary of the committee, and J. L. Ralston, K.C. is counsel.

Weekly Bank Clearings

Eastern Cities	July 23, 1931	July 21, 1932
Halifax	$ 2,592,508	$ 2,326,984
Saint John	1,930,936	1,776,828
Moncton	744,620	621,676
Sherbrooke	687,643	578,459
Quebec	5,445,118	3,838,449
Ottawa	6,752,970	3,916,999
Montreal	95,894,188	85,178,352
Kingston	649,758	559,301
Peterboro	795,473	588,522
Toronto	84,212,910	89,524,305
Hamilton	4,372,841	3,922,806
Kitchener	988,485	749,962
Brantford	886,360	718,055
London	2,491,001	2,395,691
Chatham	412,059	381,750
Windsor	2,804,971	2,469,104
Sarnia	477,880	458,251
Sudbury	733,492	474,628

Western Cities	July 23, 1931	July 21, 1932
Fort William	$ 900,716	$ 694,404
Winnipeg	35,196,773	33,161,587
Brandon	376,342	340,718
Regina	2,564,236	2,318,616
Moose Jaw	628,439	520,457
Saskatoon	1,603,325	1,213,993
Prince Albert	362,000	226,728
Edmonton	3,957,394	3,268,898
Calgary	5,281,019	4,186,735
Medicine Hat	203,266	154,168
Lethbridge	367,033	308,699
New Westminster	531,421	437,186
Vancouver	15,561,351	12,498,229
Victoria	1,660,604	1,486,887

Public Utility Earnings

Brazilian Traction	1932 $	1931 $	Decrease $
June			
Gross earn.	2,719,797	3,250,203	530,406
Oper. exps.	1,071,311	1,219,977	148,666
Net earn.	1,648,486	2,030,226	381,740
Aggre. gross from Jan. 1	15,423,758	18,766,873	3,343,115
Aggre. net from Jan. 1	8,925,646	11,311,311	2,385,665

In making comparisons with the monthly earnings of the previous year it should be pointed out that in June and July of 1931 there was a temporary improvement in exchange.

Twin City	1932 $	1931 $	Decrease $
2nd Quarter:			
Gr. rev.	2,318,006	2,724,780	406,774
Oper. exp.	1,798,147	2,109,071	310,924
Net earn.	519,859	615,709	95,850
Fixed chgs. & taxes	478,619	502,783	24,164
Net profit	41,240	112,926	71,686
6 Months:			
Gr. rev.	5,041,937	5,707,024	665,087
Oper. exp.	3,811,970	4,358,474	546,504
Net earn.	1,229,967	1,348,550	118,583
Fixed chgs. & taxes	979,209	1,014,308	35,099
Net profit	250,758	334,242	83,484

SHIPPING POOL SETS LAKE RATE FOR GRAIN HAUL

Stabilized Tariff Set at 4¾ Cents by New Association

From Our Own Correspondent

MONTREAL. — Grain rates by water from the Head of the Lakes to Montreal have been set at 4¾ cents a bushel by Associated Lake Freighters, Ltd., a recently incorporated body representing a co-operative effort on the part of leading lake shippers. James Stewart, Winnipeg, is manager of the new organization.

It is stated that grain shipments this year have gone forward at prices even lower than that set by Associated Lake Freighters but even 4¾ cents a bushel for the lake haul of 1,223 miles is considered by shipping men as too low to guarantee profits for the carriers. It is estimated that a 5½ cent rate would enable them to defray cost of insurance and meet overhead expenses. At the moment some owners are not in a position to carry full insurance on their vessels.

New Low Level

The present rate agreed on has not been approached in shipping circles since 1915 when average rates were 4.99 cents a bushel, though one steamship actually carried grain down the lakes at 3⅝ cents a bushel this season.

The decline in the rates is a reflection of the sharp drop in grain deliveries at Montreal. In 1928 when deliveries touched a new high level for all time shipments from Montreal elevators totalled 211,295,379 bushels and there was adequate employment for lake vessels.

Deliveries fell to 81,669,864 bushels in 1930. In addition there have been substantial additions made to the fleets, a factor in bringing about the distress rates prevailing early this season. Actually steamship owners are now accepting less for the carriage of grain from the Head of the Lakes than they did for the trip from Port Colborne to Montreal between 1922 and 1930. Port Colborne is but 371 miles from Montreal.

Shares of Canada Steamships have been slightly stronger on the Montreal Stock Exchange. Sinking to a low of around 1 the preferred stock is currently quoted in the neighborhood of 3, a reflection in part of the stabilization of rates on grain. The general mortgage bonds have also shown considerable improvement. Recent quotations were 28-30 as compared with lows of around 15-18.

Canada Steamship Lines earnings last year were not sufficient to cover full interest charges after depreciation. During the current year there has been no improvement in activity and, until formation of the recent shipping pool, there had been drastic price cutting in grain rates.

FOREIGN POWER DEFER DIVIDENDS

From Our Own Correspondent

MONTREAL.—As intimated in The Financial Post of last week, Foreign Power Securities Corp. has deferred the regular dividend on its cumulative preferred stock.

A letter has been despatched by the management to the shareholders in which it is said that the action was necessary owing to the reduction in dividends and interest on some of the securities held by the company and also due to the uncertainty of the industrial outlook at present in France. Attention is also drawn to the fact that the preferred stock dividend is cumulative and that as soon as conditions warrant payments will be resumed.

At the end of its last fiscal year Foreign Power Securities had outstanding $5,000,000 of 6 per cent preferred stock. Income during the year ended October 31, 1931, was not sufficient to take care of the $300,000 of dividends, there being a deficit of $29,885 after taking care of the charge. In the three previous years income had been sufficient to cover the preferred dividend.

Maritime Telephone Toll Traffic Completed Declines

From Our Own Correspondent

MONTREAL.—Volume of completed toll traffic handled by the Maritime Telegraph and Telephone Co. in June was much smaller than that reported for the same month last year. The company reports the average percentage of completed traffic of 93.8. There were in all 120,951 calls, of which 113,454 were completed and 7,497 lost.

The average percentage of completed toll traffic for Class A exchanges was 92.9 per cent and for Class B exchanges 95.9 per cent.

Aluminum Co. Plants Speed Up Production

From Our Own Correspondent

MONTREAL.—Plants of Aluminum Co. of Canada at Arvida, which have been operating on short time for some months past, are expected to be speeded up to capacity within the next week. It is stated that inventories have been reduced substantially and some important contracts received.

Late in 1931 hundreds of workers at Arvida were laid off as manufacturing activity was curtailed. Stocks on hand were at a high point but it is stated that these have been reduced to a level where production is once more warranted.

SPRUCE FALLS NET SHOWS GOOD GAIN, DIVIDENDS EARNED

Sales Down But Working Capital Position Well Maintained

Spruce Falls Power and Paper Company reversed the experience of most pulp and paper companies by having a net income from operations in the year ending April, 1932, of $2,049,758 as compared with $1,661,021 in 1931, and $2,229,525 in 1930. After paying bond interest, reserving amounts for depletion of timber limits and for income taxes, the net profit for the year transferred to surplus was $1,106,262 as compared with $753,602 in 1931 and $1,259,768 in 1930. Dividends paid to first and second preferred shareholders amounted to $973,007 and the operating surplus carried forward was $206,121 as compared with $72,866 at the beginning of the year. No common dividends have been paid as yet but 66 cents a share was earned.

INCOME AND SURPLUS ACCOUNT
Years Ended April 30

	1932 $	1931 $
Net earnings†	2,049,758	1,661,021
Less: Deplet. of timber limits	66,139	86,612
Bond interest	751,667	806,667
Res. for Dom. inc. tax	125,690	......
Res. for Prov. corp. tax		13,940
Net profit	1,106,262	753,602
Less appropriations:		
First pref. divds.	623,000	623,000
Second pref. divds.	350,007	350,007
Surplus for year	133,255	‡219,405
Add: Previous surplus	72,866	292,271
Oper. surp. carr. fwd.	206,121	72,866
Add: Capital surplus	10,500,000	10,500,000
Balance carried fwd.	10,706,121	10,572,866

†After reserves for contingencies and depreciaiton, general expenses, etc.
‡Deficit.

Sales Down, Position Improved

F. J. Fensenbrenner, president, explains that the sales of newsprint paper and sulphite pulp were 2.87 per cent less in value than during the preceding year partly due to lower prices received for sulphite pulp, but mainly the result of substantial reduction in the price of newsprint paper.

During the year the company retired $1,000,000 par value of maturing first mortgage bonds, paid its preferred stock dividends, and increased its net working capital from $1,167,864 to $1,478,882. The company made capital expenditures of $80,783 for improvement in plant and equipment in addition to all maintenance charges.

In March, 1932, the company reduced all salaries, but up to the close of the fiscal year no reductions were made in the rates of hourly workers.

Inventories of raw material, supplies and manufactured products were reduced during the year from $1,428,561 to $1,019,882.

Cash up, Loans Higher

Total current assets amounted to $2,632,437 and total current liabilities $1,676,846. The company had cash of $928,255 as compared with none at all at the beginning of the year, receivables stood at $461,494 and investments in government bonds at market value $137,917. The company did not include $657,867 for expenditures and advances to date on 1931-1932 wood operations, including wood equipment and pulpwood delivered at mill, among its current assets.

Bank loans and interest accrued advanced during the year from $763,137 to $1,082,692. Instead of accounts and wages payable and other accrued charges at $627,310 the company reports, wages, taxes and Crown dues payable at $286,353 and accounts payable and accrued charges at $266,952.

Working Capital

	1932 $	1931 $
Current assets	3,290,305	2,683,096
Current liabilities	1,736,429	1,537,343
Working capital	1,553,876	1,095,753
Ratio	1.89—1	1.71—1

Lower St. Lawrence Power Redeeming Gen'l Mortgages

From Our Own Correspondent

MONTREAL.—Arrangements are reported to have been made by the Lower St. Lawrence Power Co. for the redemption of its 8 per cent general mortgage bonds when they fall due on August 1 next.

This company was formed about 1920 with the object of developing the water power on the Metis River and consolidating the various local power companies to form a general distribution system. A portion of the company's output is absorbed by a subsidiary, the Matapedia Valley Light and Power Co., which owns a 105-mile power line to Campbellton, N.B.

Capitalization of the Lower St. Lawrence consists of 20,000 common shares of no par value. The funded debt covers an issue of $712,500 of 7 per cent first mortgage bonds due 1947 and $350,000 of the second mortgage bonds. There is also outstanding a bond issue of approximately $327,000 of the Matapedia Valley Light.

Control of the Lower St. Lawrence Power rests with the Central Gas and Electric Co., of Chicago.

Shareholders as Salesmen Plan Pushed by Inter. Paper

From Our Own Correspondent

MONTREAL. — Sales departments of the larger corporations have not been backward in digging up new outlets for the products they sell. One of the most fruitful fields is to be found among shareholders, who, though they may not be purchasers, are often in a position to place business for their company.

Along these lines International Paper and Power Co. has been active in creating salesmen among its shareholders. To that end it has been providing "sales material" to the shareholders in the form of special messages attached to the quarterly statements of earnings. The current report carries a partial list of the standard products turned out by International Paper Co. The uses of these products are listed in detail. Samples of each are to be had by any shareholder.

B. C. Electric Railway Secures High Award

From Our Own Correspondent

MONTREAL. — British Columbia Electric Railway Co. has been again successful in winning an award in the annual "Better Copy" contest of the Public Utilities Advertising Association. The coast utility secured second place in the transportation division for newspaper advertising, first going to the Chicago Surface Lines.

Last year British Columbia Electric won second awards for street car cards in the electric and gas divisions.

INTER. P. AND P. REGISTERS LOSS FIRST QUARTER

Expect That Second Quarter Returns Will Record Larger Deficit

From Our Own Correspondent

MONTREAL. — International Paper and Power Co. reported a net loss of $399,567 for the first quarter of 1932, compared with a balance of $593,561 carried to surplus for the corresponding period of 1931.

The results for the initial quarter of this year, according to President A. R. Graustein, reflect the continued fall in prices and in volume of business. Business is still declining and operations for the second quarter will result in a net loss substantially larger than that for the first quarter. It is pointed out, however, that losses recorded are after substantial charges for reserves which do not entail any money payments.

Gross Sales Holding

Gross sales during the January-March period of 1932 amounted to $35,916,838 and after operating expenses there remained a net revenue, including other income of $10,700,175. For the same period last year sales aggregated $35,475,300 and net revenue $9,995,231.

Prior charges increased from $9,401,670 to $11,099,741. Interest on the funded debt declined, but depreciation charges advanced about $285,000. Amortization charges were also larger, as also was the reserve for income tax. Dividends on minority stocks of subsidiaries increased nearly $500,000, while minority interest in earnings of subsidiaries showed a substantial gain.

Eat Into Surplus

Consequent upon these increased charges, the net result for the first quarter of this year was a deficit of $399,566, which deducted from the previous balance left an amount of $11,562,319 to be carried forward.

At the end of the first quarter of 1931 a balance of $593,561 was added to surplus, bringing that item up to $13,569,773, from which was deducted dividends on International's preferred stock of $1,632,565, leaving a surplus of $11,937,208.

Comparative Statements

Following are comparative income accounts for the first quarter of 1932 and 1931:

	1932 $	1931 $
Gross sales	35,916,838	35,475,300
Net revenue	10,700,175	9,995,231
Less: Int. and disc. on funded debt, income taxes, divs. and amts applicable to minority stocks of subsidiaries	8,935,796	7,524,573
Depreciation	2,163,946	1,877,097
Balance	*399,547	593,561
Less: divs. on I. P. & P. Co. pref. stks.	......	1,632,565
Balance deducted for surplus	399,567	1,039,004

* Deficit.

In the above statement income and expenses of Canadian subsidiaries have been taken at parity of exchange without adjustment of differences between foreign and United States currencies. All profits and losses actually realized in transactions involving exchange have been included in the above results.

STANFIELD'S LTD. NEW PREFERRED PAID NO DIVIDEND

Report Shows Small Profit For Past Year

From Our Own Correspondent

MONTREAL. — The first annual report of Stanfield's Ltd., which took over a company of the same name late in 1930, reveals net profits in 1931 of $18,213. Net profits included all operating and administrative expenses, including provision for bad debts, depreciation and federal taxes, etc. No dividends were paid during the year and profits were transferred to surplus.

The balance sheet reflects a strong working capital position. Current assets at the end of the year were $897,814, compared with current liabilities of $14,398, leaving a net working capital of $883,416. In assets, cash totals $228,533, call loan is $65,000 and accounts receivable are $369,595. Fixed assets, less depreciation, are carried at $319,260.

New Capital Structure

In liabilities, accounts payable total $14,398 and $85,982 has been reserved as a provision for bad debts. The new capital structure finds reflection in the balance sheet. In place of 10,000 shares of no par value common stock, which comprised the structure of the old company, there is now outstanding $400,000 of 6 per cent preferred and 10,000 shares of no par common stock which are carried out at $773,875.

Stanfield's, long established Maritime textile manufacturer, sold out to a company of the same name in November, 1930. As a result of voluntary liquidation of the old company, stockholders received $140 in cash and one share of 6 per cent preferred stock and one share no par value common stock in exchange for each share of old common held.

Explosion at Vickers Covered by Insurance

From Our Own Correspondent

MONTREAL. — Though no official statement has been issued, it is understood that Canadian Vickers Ltd. will not suffer any monetary loss from the recent disastrous explosion and fire on the tanker Cymbeline at the company's drydock. The estimated damage to property is placed around $500,000, all of which is reported to be covered by insurance.

In respect to compensation for loss of life and injuries to firemen and workers, this is a matter which will be taken care of by the Quebec Workmen's Compensation Board. The commission expects that about $500,000 will be paid to the survivors of the victims of the disaster. An investigation is now being conducted into the number of dependants entitled to payment in accordance with the provincial law. When this has been completed, the commission will issue a public statement.

Donnacona Appoints Agent

From Our Own Correspondent

MONTREAL. — Donnacona Paper Co., until recently a subsidiary of Price Bros. and Co., has appointed the H. G. Craig Co. as sole sales representative for the company in the United States.

Steel Parley In Montreal Was Success

From Our Own Correspondent

MONTREAL. — British and Canadian steel manufacturers have reached an agreement which protects their mutual interests and both groups are reported to be well satisfied with the results of the pre-Conference discussions which were held in Montreal.

Details of the agreement have not been made public but it is stated that the parleys in Montreal have resulted in a policy under which Canada will give the United Kingdom certain steel purchases now made in the United States.

Sir James Dunn, who accompanied the British delegation to Canada is quoted as saying:

"It is of the first importance and the happiest augury for the success of the Imperial Conference that the two big steel producing groups should be agreed on what they are prepared to recommend. The Canadians can tell Mr. Bennett these are the terms on which we would like British products to enter Canada, while the British steel men can tell Mr. Baldwin they are quite satisfied with such terms. It is a tremendously promising sign. To go to this conference in harmony is the great thing, and the fact that this agreement has been reached is, in itself, a tribute to the efforts of Sir William Clark, Julian Piggott, manager of the British Steel Export Association, and the rest of the British Steel Commission who have been in Canada for the last few weeks."

DONNACONA CO. BONDHOLDERS APPROVE PLAN

Will Have Voting Control of Company for Time Being

From Our Own Correspondent

MONTREAL.—First mortgage bondholders of Donnacona Paper Co. have voted in favor of the reorganization plan. Of the total of $6,584,000 of bonds outstanding, $3,370,000 were represented at the meeting and $3,262,000 voted in favor of the scheme.

The plan provides for the waiving of interest payments in the next two years, and a provision that for the two subsequent years interest shall be paid only if earned. Provision is also made for the waiving of sinking funds due this year and in the three years following.

Bondholders Secure Control

In consideration for foregoing certain of their rights, the first mortgage bondholders receive control of the company until stipulated conditions have been fulfilled. They receive 121,804 shares of class "A" common stock at the rate of 18½ shares for each $1,000 principal amount of bonds held. There are, in addition, 123,088 of class "B" shares of common stock. Voting control rests with the former stock as long as various covenants have not been fulfilled by the company.

The new board of directors will number seven. Names of the members are to be submitted to the bondholders for approval.

Donnacona debenture holders have yet to meet and approve the plan which provides that they receive 2 shares of class "B" stock for each $100 of principal amount held.

The common stock holders receive 1 new share for each 10 held.

Grant Moratorium to Vancouver Kraft

From Our Own Correspondent

MONTREAL.—On the recommendation of the National Trust Co., holders of Vancouver Kraft Co., 6½ per cent first mortgage bonds dated May 15, 1928, have been granted a four year moratorium on interest and sinking fund payments on the bonds which were in default May 15, 1931.

Under the terms of the agreement, Columbia River Paper Co., the parent organization, is to advance sufficient money to meet shut down expenses of maintaining the property, a partly completed 100-ton kraft mill at Port Mellon, B.C. In return for these advances, which will be maintained until May, 1935, the company will receive 4 year, 6½ per cent notes of the Vancouver Kraft Co.

The Columbia River Paper Co. can terminate the agreement on 60 days notice. The amount of the 6½ per cent bonds outstanding is $1,143,000.

Newfoundland I. P. Hold Back Woods Operations

From Our Own Correspondent

MONTREAL. — Woods operations will not be carried out this year by International Power and Paper Co. of Newfoundland. It is stated that the company has some two years supply of pulpwood on hand and conditions in the paper trade do not warrant further cutting.

At the same time the company announced a reduction in salaries and wages totalling an average of 10 per cent, effective from July 8. Despatches from St John's state that the workers do not intend to accept the reduction, but no action had been taken at this time. The government has been approached in the matter, but no statement is forthcoming as the matter is under consideration.

Price Bros. Reduce Number of Directors

From Our Own Correspondent

MONTREAL.—Consequent upon the government's approval of the by-law reducing the number of directors from 15 to 9, Price Bros. and Co. announce the resignation from the board of J. A. Ogilvie, F. C. Cope and H. W. Jackson, effective as from July 14.

It is expected that three other names will be dropped within the next week or two in order to comply with the new by-law.

PULP AND PAPER EXPORTS DECLINE FOR HALF YEAR

June Values Are Slightly Higher Than May Figures

From Our Own Correspondent

MONTREAL.—Exports of newsprint from Canada in the first six months of the current year were valued at $45,048,669 compared with $56,334,122 in the same period last year. Exports of pulp were down over $5,000,000 at $9,760,621 in the half year and total pulp and paper exports to June 30 were $56,542,704, which compared with $73,423,729 in the first six months of last year.

All divisions showed drops in comparison with last year; declines in sulphate and groundwood pulp exports being particularly noticeable. Sulphate shipments fell from $1,993,246 in the first half of 1931 to $1,053,010 in the same period this year and groundwood exports were off $1,173,000 at $914,859.

Six Months Figures

Following are comparative figures on exports of pulp and paper in the first six months of the past two years:

	1932 $	1931 $
Paper—		
Newsprint	45,048,669	56,334,122
Others	1,833,414	2,054,173
Total	46,782,083	58,388,295
Pulp—		
Sulphate	1,053,010	1,993,246
Sulphite (bl.)	6,083,047	7,745,816
Sulphite (unbl.)	1,584,267	2,962,328
Mechanical	914,859	2,087,419
Screenings	58,822	131,994
N. O. P.	56,616	114,631
Total	9,760,621	15,035,434
Total P. & P.	56,542,704	73,423,729

June Exports Gain

June exports of paper and its manufactures were slightly higher than those of the previous month at $7,667,598, but fell far below the figure of $10,393,942 reported in June, 1931. The decline in newsprint exports was the chief factor in the total decrease.

In June there were exported 155,895 tons of newsprint valued at $7,377,790. This compared with 151,758 tons in the preceding month valued at $7,162,049. The curtailment in manufacturing activity at the mills is illustrated by the fact that June exports last year were 189,738 tons, valued at $10,069,585.

In other divisions of pulp and paper manufacture, export of sulphate pulp was one of the few to show improvement. June exports were 74,854 cwt. valued at $258,903, which was a gain over the previous month, when exports were 26,768 cwt. An increase of 12,000 cwt. over June of last year was also shown.

Sulphite Shipments Down

Sulphite pulp exports totalled 246,698 cwt., valued at $668,640. This compared with 353,994 cwt. in the previous month and 420,266 cwt. in the same month last year.

Unbleached sulphite shipments at 128,553 cwt. showed a marginal gain over May, but compared with 205,182 cwt. in June last year. Groundwood pulp exports totalled 128,872 cwt. valued at $149,590, a decline of about 42,000 cwt. from the previous month and a similar drop from June, 1931.

NOTEHOLDERS OF FRASER COS. ADOPT SCHEME

Important Amendments Made to Plan Before Approved

From Our Own Correspondent

MONTREAL.—Three-year noteholders of Fraser Cos. have accepted the reorganization plan, but not in the form as submitted originally.

After a lengthy meeting here, which at times grew acrimonious, several amendments to the plan were made to conform with the views of the holders of the three-year notes.

Instead of the common stockholders getting one new share for each 10 held, they will receive 1 new share for each 20 held. The amended plan further provides that no further common stock can be issued without the sanction of the holders.

Changes in Plan

Following are further amendments to the original plan:

Additional first mortgage bonds cannot be issued unless interest has been earned twice over instead of 1½ times.

Prior lien bonds on the Restigouche Co. cannot be issued in excess of $500,000 instead of the original plan's amount of $1,000,000.

Controlling interests of the Fraser Cos. will not be allowed to divorce the Restigouche Co. at any time they see fit. The latter must continue to form a part of the former until June 1, 1935 and then the Fraser Cos. can only be released from their guarantee of Restigouche bonds by giving three months notice.

Select Voting Trustees

Another important step taken at this meeting was the naming of the voting trust for the Restigouche Co. The sponsors of the plan named three members, the Toronto group one and the Montreal group one. Those named were: Hon. Gordon W. Scott, S. Kilpatrick and Harold Crabtree for the sponsors, and Hamilton Cassels and Arthur Jones for the protective group.

Safety
CANADIAN
DOMINION
GOVERNMENT,
PROVINCIAL
MUNICIPAL
BONDS
List on request

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355 St. James Street West, Montreal
Quebec Ottawa Toronto Hamilton London, Ont. Winnipeg Saskatoon Calgary Victoria Vancouver

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation
Reports
Valuations
Estimates
Paper and Pulp Mills
Hydro-Electric and Steam Power Plants
Plans and Specifications

PENMANS LIMITED
General Offices: Paris, Ontario
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec
Selling Agents to the Wholesale Trade: John Gordon & Sons, Limited, Montreal and Toronto.
Selling Agents to the Retail Trade: Bryce Sales Limited, Calgary, Winnipeg, and Vancouver.
Sales Offices: Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
Export Representatives: Great Britain and Ireland: Liddell & Mitchell, Glasgow, Scotland. Taylor & Shelmerdine, Manchester, England. W. J. Cutcliffe, London, England. A. Lowry, Belfast, Ireland.
Australia: Hugh Scott-Young, Melbourne, Australia.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Johnstone, Ltd., Port-of-Spain, Trinidad. L. W. Huddle, Kingston, Jamaica.
China, Hongkong & Japan: Horn & Nobbins, Shanghai, China.
British Malaya, T. B. Rogers & Co., Ltd., Singapore, Straits Settlements.
Peru: M. E. Biber, Lima.
Argentine: E. L. Clough, Buenos Aires. India: H. Maddison, Calcutta.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
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Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
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Daily Capacity 2200 Tons Newsprint
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WAKEFIELD CASTROL
2000 MILES OF FAULTLESS LUBRICATION
203

News of Investment Markets

LONDON BOOM AFFECTS PRICES CANADA BONDS

Improved Market For High-grades is Expected to Be Maintained

FEW BONDS OFFERED

Lausanne, British Conversion Scheme, Good Wheat Crop Are Factors Influencing Better Prices

Under the impetus of buying by English investors Canadian high-grade bond prices have moved strongly upward during the past month and have attained levels not touched since the October-November, 1931, decline. Events on the Continent, in London and in Canada have caused the most rapid appreciation in prices that has occurred for some years. The attitude of bond dealers has been changed in one brief month from a feeling of depression to a point where some optimism is expressed as to the future of the market. While general opinion as yet will not admit the probability of continued appreciation in bond prices it is felt that the recent improvement in the price level may be maintained.

More Financing Coming

With practically all the needs of the various provinces for new money satisfied by bond issues sold during the first seven months of 1932, there yet remains a very considerable volume of federal and municipal financing to be accomplished. Any improvement in the domestic price level of high-grade bonds will aid materially in this financing both from the standpoint of cost to the borrower and the ability to market the bonds. The requirements of the Dominion Government, which may well exceed $150,000,000, are of the first importance while municipalities who have not been able to market their bond issues have current loans with the chartered banks of some $153,500,000.

Under conditions existing in the first half of the current year new provincial financing could only be done at prices which yielded the investor up to 6½ per cent. The cost of new money to even the most select borrowers was necessarily excessive. With yields obtainable up to 6½ per cent on bonds there was no point in the Canadian investor placing money in mortgages to yield 7 per cent. Mortgage money has, as a result of high yields to be secured from bonds, practically disappeared from the market, bringing about a material cessation of new building. Other industries have also suffered from high money rates made necessary by extraordinary conditions so that a general improvement in bond prices may be expected to affect, both directly and indirectly, the entire country.

London Buys in Canada

Substantial buying of Canadian securities by English investors is the principal cause of improved prices. The demand for Canadian bonds payable in London only and their sale to English investors has released a substantial amount of money for investment in other Canadian issues. This money has yet to be placed. There is stronger bidding on all high-grade issues than has been the case for many months and offerings are comparatively light. The whole tone of the market has improved.

Usually influenced by the New York market, the Canadian bond market has followed the lead of London, where security prices have surged upward following the announcement of a gigantic plan of conversion by the British Government. The favorable developments at the Lausanne Conference in June were closely followed by Britain's drive to retire the 5 per cent War Loan of £2,086,977,258 through conversion into 3½ per cent stock or by redemption at par. Through this operation it is estimated that the British treasury will effect a saving of £23,000,000 net per year. Bondholders will be given a cash bonus of one per cent for converting before July 31 and recent reports indicate that some 70 per cent of holders have already agreed to conversion. The 5 per cent War Loan is practically one-third of the British national debt and the conversion plan is the largest of its kind ever attempted.

Low Money Rate Effective

Coincident with the announcement of the plan to retire the 5 per cent War Loan on June 30, the directors of the Bank of England reduced the bank rate from 2½ per cent to 2 per cent, the sixth reduction in a little over four months and the lowest rate in effect for 35 years. With cheap open money market rates conversion was facilitated, while a widespread patriotic appeal to bondholders was effective. British Government obligations moved upward in price and other securities of all types followed. The extent of this price appreciation was evidenced in the British Columbia and Alberta bonds but recently offered in London which moved up seven points. The yield on the highest grade British Government issues dropped from over a 4 per cent yield basis to around a 3½ per cent basis. Investors had to be satisfied with a lower return on their money or seek new fields for investment. Capital was released and industrial bonds and stocks came into new demand.

C. N. R.'s Popular

Of the Canadian securities active in the London market the bonds of the Canadian National Railways and its subsidiaries which are payable in London only take high rank. The principal and interest on these securities have always been paid at par of exchange although payment is required in London funds only. Recently the Canadian National Railways notified bondholders that interest would be paid in sterling only at the current rate and these securities lost some of their attraction to Canadian investors but at the same time offered opportunities to English investors. The result was buying from London and selling in Canada and prices on some of these bonds moved up 10 points within a few weeks. Other Canadian securities were also affected and the Canadian bond market took on new activity. An index of seven Dominion of Canada, C. N. R. and Ontario bonds shows the average yield has dropped from 5.32 per cent on June 30 to 5.09 per cent on July 22. In terms of a 4½ per cent bond with maturity in 20 years, this is a rise of 3½ points in price. Canadian National Railway and Ontario bonds payable in New York are now selling to yield well under 5 per cent, while Dominion of Canada bonds, due 1937, are around a 4 per cent yield basis.

Canadian bond dealers are hopeful that the present price level will be maintained despite any reactions that may be possible in the London market. Several factors give some basis for restrained optimism in the domestic market and among the most important is the probability of a good wheat crop throughout the West, which, regardless of price, is expected to bring substantial relief to both farmers and industry. Another factor of importance is the improved prospect for the Federal Government floating a loan in London. If any considerable part of the Dominion's financing can be obtained in that market the domestic situation will be materially relieved. The psychological effects of the Empire Conference are also to be considered and may improve the tone of Canadian security markets. A bull market in bonds is not anticipated but even a moderate increase in prices above recent low levels can be expected to react to the general advantage of investors, taxpayers and industry.

Purging of B.C. Finances Attributed to Major Brown

From Comparative Obscurity, Head of Union Steamship Co. Becomes Fearless Champion of Sound Government at Coast

By CHARLES SHAW

Economic housecleaning in British Columbia will probably follow the recent presentation of the Kidd committee's report on the province's finances, and when this step is taken much of the credit will be due to Major Harold Brown, who is neither a member of the Kidd committee nor of the provincial government.

But Major Brown may be held largely responsible for voicing the "cry in the wilderness" that started the present movement for drastic economy in government.

Comes From Obscurity

Major Brown was a somewhat obscure figure in public affairs of British Columbia until a few weeks ago. He is an Old Country man, but he has been in British Columbia long enough to obtain a thorough grasp of the province's problems. He is one of the outstanding examples of the Englishman who made good in the West, although in his case he had already made good in the East, for before emigrating to this country he had been an important official in a steamship company operating in the Channel routes.

When he came to British Columbia the West Coast offered a fertile field for the executive with a knowledge of steamboating. For a few years he was in charge of the towboat fleet of the Whalen Pulp & Paper Mills, since reorganized as the B. C. Pulp & Paper Company. Then he transferred his affiliations to the Union Steamship Company, one of the most enterprising transportation concerns in Western Canada which operates a fleet of fast steamers in the British Columbia coast freight and passenger service. His rise to the general managership of this organization was rapid.

Widened Sphere This Year

But until his election as president of the Vancouver Board of Trade early this year Major Brown confined his activity almost exclusively to affairs in the shipping world. His leadership of the Board of Trade, however, brought him into a wider sphere of activity and influence and it was not long before business men and the public alike became aware of the presence of a fearless spokesman in their midst.

"Men in public office in British Columbia seem to have no conception of the crisis we are approaching," warned Major Brown when the current depression was getting nicely under way. He went on to attack the provincial government's investigation of unemployment relief methods, and for this he was hailed before the bar of the House by an angry Legislature. Instead of apologizing, however, Major Brown repeated his charges. It was a very embarrassing incident for everyone but the major.

Urged Government Reform

During the next few weeks Major Brown sounded his warning repeatedly, and declared that partisanship in government and extravagance were undermining the province's credit. The Board of Trade and other business organizations throughout the province rallied to his banner, and eventually came a request from these organizations that the government appoint a non-partisan business committee to make a thorough-going survey of the province's finances and bring down a set of recommendations with a view to assuring a balanced budget and the foundation for future prosperity.

The committee was eventually named, with George Kidd, former chairman of B. C. Power Corporation, as its chairman. Major Brown was not one of the members. The government, having been "snubbed" by the major, was not ready to condone his conduct. But the committee lost no time in getting at the heart of British Columbia's economic problems and the report represents the most far-reaching and exhaustive analysis of governmental financing ever made in this province.

Favors Non-partisan Government

Major Brown favors the adoption of special measures in government to meet special conditions.

"We have never faced a situation just like the present one," he said recently. "Isn't it fair to assume that we should attempt a solution by methods different from those of the past? Our methods of government are outworn. We should have a non-partisan administration as they have in Great Britain. We should have a legislature of fifteen members instead of forty-six and a smaller, more mobile cabinet.

"We should have the brightest minds in our legislatures. We will never have them until they are assured they will be untrammelled by party politics.

"Redemption of the world will be made in the field of intellectual strength and force of will. We must exercise depressive influences from our character. We must cultivate a sustained mental buoyancy. Don't relax one element of recreational strength. The worst form of destitution is not poverty of money, but of spirit.

"The need now is for starting sincerity, intrinsic good fellowship and courage in a period of tottering ideals and faltering human policies. What Canada needs most of all at this time is responsible citizenship, a profound interest in the country's administration, a 'country first' impulse."

Quebec Railway, Light Creates Bond Issue

From Our Own Correspondent

MONTREAL. — Quebec Railway Light and Power Co., subsidiary of Quebec Power Co., is creating an issue of $2,000,000, 6 per cent, first mortgage bonds, series "B." The bonds will not be issued publicly but will be used entirely for inter-company financing. The mortgage comprising the first mortgage and collateral trust bonds of Quebec Power Co. provides that any funded debt which shall be created by Quebec Railway Light and Power shall be issued only to the parent company.

In 1928 Quebec Power made an offer to Quebec Railway Light and Power to purchase the undertaking. The offer was accepted. All bonds of the subsidiary company were redeemed shortly afterwards.

MONTREAL BONDS PLACED ON MARKET

Good Reception Accorded School Board Issue

MONTREAL. — Strong reception was accorded to the public offering of $1,000,000 6 per cent five year bonds of the Montreal Protestant Central School Board by a syndicate headed by the Bank of Montreal. Other members of the selling group, which offered the bonds at par and accrued interest, included A. E. Ames and Co., Dominion Securities Corp., Wood, Gundy and Co., Hanson Bros. Inc., Royal Securities Corp., Nesbitt, Thomson and Co., W. C. Pitfield and Co., The National City Co., Harris, Forbes and Co., Drury and Co., McLeod, Young, Weir and Co., Mead and Co., Hannaford, Birks and Co., Collier, Norris and Henderson, and Williams, Partridge and Angus.

These bonds are the direct obligation of the board and are issued for the purpose of defraying costs of sites, costs of construction, for refunding maturing obligations and for other capital expenditures of the board.

This offering is part of an original issue of $2,000,000, $1,000,000 of which had already been sold by the syndicate.

Labor Department Publishes Survey

From Our Own Correspondent

MONTREAL.—The eleventh annual report of the Federal Department of Labor on Organizations in Industry, Commerce and the Professions in Canada for 1932 has just been distributed. The volume, which contains the names of all known associations of the classes mentioned, gives some idea of the extent of organization among those identified with industrial and commercial life in Canada. The book also indicates the development of organizations of those who are connected with professional, technical and scientific pursuits.

The associations are divided into 18 groups. The first seven groups contain the names of 239 main and 166 branch or affiliated associations with a combined membership of 50,772, which are composed of persons or firms identified with industries in which employment of work people is essential. The names of all classes of associations published in the volume number 856 main bodies and 504 branch associations with a combined membership of 746,322.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
St. Law. Power	*6%	1935	Aug. 1	105
Can. Light & Pr.	†5%	1949	Aug. 1	...

*Called in part.
†Calling for tenders for sinking fund.

SHERWIN PAINT JUNE SHIPMENTS AT BETTER LEVEL

Company Drops Manufacture of Can Requirements Entirely

From Our Own Correspondent

MONTREAL. — Spring sales of Sherwin-Williams Co. of Canada were fairly brisk; June proving a particularly good month. July was not unsatisfactory but for the next few months the usual seasonal slump is anticipated. The company ends its fiscal year on August 31; no information is available on earnings to date.

The company continues to pay dividends on its $3,460,000 of 7 per cent preferred stock. Requirements for the preferred were not fully covered in the last fiscal period, net profit of $158,951 comparing with preferred disbursements of $242,200. After payment of common dividends, discontinued in February, 1932, there remained a deficit of $423,249.

Sales Volume Lower

During the current year sales have fallen to lower levels and there has been no improvement in the price situation. Indications do not point to an increase in earnings. The balance sheet at the end of last year, however, showed a satisfactory financial position. No bank loans were outstanding, the company has no funded debt and working capital totalled $4,227,449 with current assets seven times current liabilities. Surplus at profit and loss was $4,169,607.

Arranges Can Contract

By its agreement with Whittall Can Co. whereby the latter company will supply Sherwin-Williams with all its can requirements in the future, the paint company has dropped the manufacture of cans entirely. Previously it manufactured a certain portion of these needs in addition to buying the balance in the open market.

The agreement with Whittall Can is expected to work out favorably. Manufacture of cans on a moderate scale is not conducive to low cost production.

NEW COASTAL LAWS FOR NEWFOUNDLAND

Board of Trade Discusses Possible Adoption of Canadian Plan

Possibility of Newfoundland adopting coastal laws similar to those in force in Canada is under consideration by authorities in that Dominion.

At a recent meeting of the Newfoundland Board of Trade, adoption of the Canadian system of regulating foreign traffic was favored as a means of meeting competition from foreign vessels. Much of the coastal trade of the colony is carried in foreign bottoms and the customs department is being asked to invoke new restrictions.

The results of the Board of Trade deliberations as reported in the St. John's Daily News, are as follows:

"Complying with the recent request of the council, the traffic committee has considered the matter of foreign steamers freighting and trading on the Newfoundland coast. At present foreign steamers are permitted to land cargo at various ports and also to take freight from port to port without any restriction. The committee, in considering this matter, was of the opinion that Canadian regulations if put into effect here would cover what is required. Foreign steamers must be permitted to discharge cargo at two or more ports and to load cargo for foreign ports, but this should come under the customs regulations outlined in section 5 of the Canadian regulations. Members of the trade have on various occasions asked that the Board of Trade endeavor to do something to remove the unfair competition of foreign steamers freighting and trading on the Newfoundland coast."

U.S. Farm Population Shows Increase in 1931

Farm population of the United States was 31,260,000 persons on Jan. 1, 1932, as compared with 30,612,000 on Jan. 1, 1931, a gain of 648,000, according to an estimate issued by the U. S. Department of Agriculture. The increase in 1931 was the largest and most significant recorded by the Bureau of Agricultural Economics in the ten years in which the bureau has been estimating changes in population. For seven years of this period annual decreases were reported and only during 1930 and 1931 were appreciable gains indicated.

The bureau estimates that 1,472,000 persons left farms for towns and cities last year, and that 1,679,000 persons moved farmwards. The surplus of births over deaths on farms was 441,000. The gain in number of persons living on farms was 648,000. For 1930 it was estimated that 1,766,000 persons moved from cities to farms and 1,727,000 persons moved from farms to cities—these two movements almost balancing each other. The surplus of births over deaths was 399,000 in 1930. There was a slight decrease in the number of persons going to farms in 1931, and a considerable decrease in the number going to cities.

Harvest Season Aids Hardware Trade

The demand for hardware lines in rural districts has been expanding steadily during the harvest season. Haying is practically all over in most districts, and some early cutting of grains is being done. Large tonnages of binder twine are being sold in western and eastern Canada. Farmers appear optimistic over the crop prospects, as they have, in most cases, lowered their cost of production, and even at present low prices, their finances will be materially aided, states Hardware and Metal, Toronto.

Fall goods are being booked for later delivery in increasing variety and quantity. Wholesalers state they are looking for a comparatively good sale of ammunition, guns, rifles, and other hunting supplies this fall. Lower prices have been issued on snow shovels for fall. Some file prices are higher, while key blanks are quoted at a reduction.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Ville la Salle School Comm.	July	Credit Anglo-Francais	6%	5-yr.	......	96.00	....
Victoria County, Ont.	July	Locally	5½%	15-ins.	35,000	100.00	5½%
Antigonish, N.S.	July 6	Eastern Securities	6%	1952	15,000	97.53	6.22%
Antigonish, N.S.	July 6	Locally	6%	1952	5,000	100.00	6%
Saint John, N.B.	July 16	Royal Securities and Syndicate	6%	15-yr.	833,500	97.50	6.25%
Quebec City	July	Bk. of Montreal, Bk. Can. Nationale	...	.....	9,000,000	.....	....
Saint John, N.B. Board of School Trustees	July	Wood, Gundy and Syndicate	6%	1947	625,000	*101.00	5.90%
Montreal Protestant Central School Board	July 26	Bank of Montreal, A. E. Ames & Co., and Syndicate	6%	1937	1,000,000	*100.00	6%

*Offering price.

Advocate Direct Selling Municipal Bond Issues

Success of Ontario Loan Draws Attention to Feasibility of Municipalities Adopting Similar Course

By HERBERT C. HOWARD

The success which attended the recent offering by the Province of Ontario of its $20,000,000 bond issue cannot fail to impress the authorities of those municipalities which have deferred their financing owing to the unsettled market conditions of the past few months. Ontario disposed of its bonds directly to the public instead of through an investment banking house or syndicate of such houses and it is only logical to assume that many municipalities are now wondering if they cannot secure needed money in the same way, viz., by dealing directly with the public of their territories.

In the matter of making such a direct appeal to the people for the sale of securities there is an obvious parallel between the province and the municipality, the latter being but a miniature of the former. The municipality's invitation to subscribe works upon the same sort of territorial pride. As far as the public is concerned it has a first hand knowledge of the strength of the security which should evidence itself in a greater readiness to subscribe. It has the assurance that money subscribed will be used for local developments from which it will directly benefit. It should have the satisfying knowledge that in purchasing directly from the municipality it is getting more for its money than it ordinarily could by investing otherwise.

Need Special Agency

There is the difference, however, that while so large a territorial unit as a province can utilize existing machinery for the distribution of its bonds, no similar channels exist in so small a territory as a city or municipality. Because of the necessary concentration of sales effort a special agency or force must be created to effect this. It becomes, in fact, the customer ownership system of security disposal.

The "customer ownership of securities" idea is by no means new in Canada though in operation it has been very largely confined to certain industrial fields, in particular the public utility. Here it has a very satisfactory record due to the fact that it has only been undertaken by established, successful enterprises, with sound securities to offer, and that campaigns have been conducted by expert and experienced directors. In every case where a Canadian company has gone to its customers with an offer of stock, and some have done so in several successive years, the amount offered has been oversubscribed.

Suggest Many Benefits

There is no reason why municipalities similarly so happily placed could not adopt the same procedure with equal likelihood of success, and establish with their citizens the sort of relationship as exists between corporation and customer. They could, as a general rule, sell their bonds on a better average basis than by any other means and would find many other benefits following in the wake of this system of financing.

The consideration of economy in securing finances in this way is naturally paramount. Under the customer ownership system of disposal the municipality can fix the price of its bonds at what it believes to be a just basis and receives the full retail price less only the cost of the campaign and a small commission to salesmen. The cost of financing twenty customer ownership campaigns for public utilities in Canada in recent years has varied between 5½ per cent and 8½ per cent. Properly conducted a campaign of this nature would put money more cheaply into the municipal treasury than is possible by any other means of financing.

Keep Money at Home

Moral benefits to the municipality from this procedure are not to be disregarded. There is a strong value in having investors invest their money at home. Individuals who do so, who have a definite stake in the community, are better citizens, taking a greater interest in civic affairs and administration.

The multiplication of such communities financed by their own citizens would have a wider and national value in making for better, sounder, and more responsible citizenship. In the creation of such satisfactory investment channels, and their maintenance, periodical tendency to hoard funds would be largely offset.

Drawbacks Are Seen

Obviously failure to carry through such a campaign with complete success, to fall short of the objective, would bring in its train results just as highly disastrous. Apart from this the more thoroughly successful a campaign is, and the more rapidly it is concluded, the greater the economy effected and the larger the volume of funds finding their way into the municipal treasury. In some of the outstanding successful customer ownership campaigns conducted in Canada costs have been kept as low as 3.8 per cent.

Accordingly not only must municipalities be in as good shape as Canadan corporations adopting the customer ownership idea have been, and their securities just as sound, but the campaign must be intelligently conducted by experienced directors.

Type of Organization

Such a campaign follows a definite and proven system. Considerable advertising and publicity of an educational nature must precede it. There is the organizing and schooling of personnel who are the actual salesmen working on a small commission (in the case of a city every civic employee would be enlisted).

But the material results to a city or municipality which has sufficient confidence in itself and its securities to appeal to its people and successfully puts over a campaign are far-reaching and lasting. Channels have been established for new financing at any time, and it can go to its citizens as often as it wants to just as many corporations have gone to their customers in successive years. And not only can this organized machinery be made to function for new issues which may be floated but through a civic department a continuous sale can be carried on with citizens as they have funds available for investment. And on every transaction the city receives the full retail price of a bond.

Indications are to be found on many sides that municipalities have been brought to study the "customer ownership" of securities more closely and are coming to appreciate how its principles are applicable to themselves. Certainly, on the face of it, if Canadian public utilities can be so successful in disposing of their securities to customers they can see no reason why citizens should not absorb the bonds of their local governments. The ever-widening recognition of this may have far-reaching effects on municipal financing in Canada in the future.

*Mr. Howard is general manager of the Customer Ownership Co. of Canada, Montreal, which has handled several customer ownership campaigns for utilities.

LAWRENCE FLOUR EARNS PREFERRED DIVIDEND NEEDS

Shipments Show Increase Over Same Period Last Year

From Our Own Correspondent

MONTREAL.—Earnings of St. Lawrence Flour Mills during the current fiscal year to date have been well maintained and it is stated that preferred dividends will be covered by a comfortable margin in the period ended August 31, 1932.

Sales have been relatively satisfactory and shipments of flour have actually showed a gain over last year. The company is also interested in the feed business and deals in grains and other agricultural products.

Preferred dividend needs are not large. There is outstanding $575,000 of 7 per cent preferred stock and payments have been maintained without interruption since 1916. No payments have been made on the $1,200,000 of common since 1925.

Small Funded Debt

Funded debt has also been reduced to a small amount. Of an original issue of $300,000 there was outstanding at the end of August, 1931, $80,000. Interest charges were covered 16 times over in the last fiscal year.

St. Lawrence Flour Mills is a relatively small producer and confines its activities largely to Newfoundland, Maritime and Quebec markets. This factor in part, enabled the company to avoid the difficulties which beset the larger flour milling companies two years ago. In the past few years its financial position has been strengthened.

Automobile Financing At Very Low Ebb

Automobile financing shows a decrease in June, 1932, as compared with May, 1932, and indicates a falling off in financing as compared with the corresponding month (June) in 1931. The per cent of change is 29.8.

Total number of cars financed was 9,046 in June, 1932, 9,636 in May, 1932, and 11,537 in June, 1931; and the amount involved was $3,454,352 in June, 1932, $3,824,232 in May, 1932, and $4,918,444 in June, 1931.

Meeting Names New Directors For Donnacona

From Our Own Correspondent

MONTREAL.—Meeting of Donnacona bondholders approved of a new board of directors comprising Sir George Garneau, Hon. Gerard Power, Hon. George Parent, R. P. Kernan, A. P. S. Glassco and A. C. M. Thomson. This board of six elected for a period of two years, was empowered to elect a seventh member.

The meeting also approved an arrangement with the Shawinigan Water and Power Co., whereby the present contract calling for the delivery of 17,000 h.p. of which only 3,500 h.p. is being used, is superseded by an agreement under which the company is to pay only for the power consumed, but in return for this concession five distributing plants, owned by Donnacona, with a book value of $106,000 are turned over to Shawinigan.

Parkhill Gold Finds Rich Ore On Low Level

Parkhill Gold Mines is enjoying increasing encouragement with its developments on its lowest or 480-ft. level. Not only is the grade better than encountered elsewhere but the tonnage is greater with some high-grade patches of phenomenal richness.

Production the past two months has been at the rate of approximately 50 tons daily, while mill heads have averaged about $21.80 per ton. June recovery was better than $25,000. Operations started on July 10, 1931, and in the 12 months just ended over $200,000 has been recovered.

Sinking will be undertaken later but just now the low level is lending itself to intensive development.

INVESTMENT SECURITIES

The National City Company
Limited

360 St. James St.
MONTREAL

320 Bay Street
TORONTO

Advisory Board
Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Wilmot L. Matthews
F. E. Meredith, K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C.
W. N. Tilley, K.C.
The Hon. J. M. Wilson

CROP PROSPECTS LETHBRIDGE AREA NOW IN MAKING

Bumper Crop Expected if General Rain Occurs Soon

From Our Own Correspondent

LETHBRIDGE.—Whether Southern Alberta, which ordinarily accounts for from 35,000,000 to 45,000,000 bushels of Alberta's wheat crop, will raise a bumper crop or a good crop will be determined in the next week or ten days. Moisture will be the determining factor. What is needed is a thorough general rain and given that a huge crop will be harvested. If the rains continue to be spotty the crop will be spotty and the yield will be reduced. However, never has the West produced a crop more cheaply, which is a point not to be overlooked.

Crops generally are good and many 40 and 50 bushel yields are promised. Curiously enough, the southeast portions of Alberta, which are usually placed in the drought area, have probably the best crops in this section of the West. From Wrentham to Foremost and on southeast along the Lethbridge-Weyburn line fields are heavy forecasting splendid yields. In Southwestern Alberta rain has been lacking and a soaker is needed if a bumper harvest is to be threshed. The great wheat areas along the Aldersyde and Macleod lines have uniformly good stands, but these areas also need rain. Whitetip is making its appearance in some fields, especially where grain has been stubbled-in. Fortunately, few farmers are now following that unsatisfactory practice. The value of summer fallowing has been too often attested.

Harvested Early

The crop will be harvested somewhat earlier than usual and the middle of August should see the beginning of the harvest. Rye is now being harvested and is a fair crop.

Sugar beets are excellent and will make heavy tonnages if the farmers continue to apply the irrigation water as they are being advised to do. The Raymond factory of the B. C. Sugar Refining Co. has been practically rebuilt with installations, including a Steffans plant, representing an outlay of $250,000. This now-modern plant will be ready to handle this year's crop from 14,500 acres.

Potatoes have been backward and will not be a large crop either in acreage or yield.

From the ranges come reports that rain is needed to keep the grass green, but cattle and sheep are doing well. Much hay, both upland prairie grass and domestic alfalfa and timothy, is being put up for winter feeding. Sheepmen are busy shearing at the range corrals and 30 or more cars have been billed out to the Canadian Co-operative warehouse at Weston, Ont. Private wool buyers have been numerous this summer and a more than usual number of clips have been sold independent of the Co-operative. There will be a large number of feeder cattle and lambs placed on feed for export and the domestic market this fall.

Ranchers are pinning genuine faith in the Ottawa conference, as the case of the cattle and sheep industries will be laid before the trade delegations. Data have been gathered from many quarters over a period of months. On the whole, the spirit of the farmers and the stockmen is one of optimism that the worst is over and that improvement will soon be noticeable. In fact, hogs have shown substantial improvement the past two weeks and all are hoping this bright spot is indicative of a general upswing.

Canada's Trade Increases With Australia

Canadian domestic exports to Australia have made a remarkable increase in the past three months. June exports amounted in value to $827,520, as compared with $431,556 in May and $363,129 in April.

Aggregate export for the three months was $1,622,205, as compared with $937,916 in the same period of 1931, according to a report issued by the Dominion Bureau of Statistics. In view of the decline in prices in the past year, the increase in volume of goods exported is very large.

Export of wood and wood products in June amounted to $448,148, compared with $250,849 in June last year. Iron and its products, including automobiles, totalled $130,403, and animals and animal products $72,457.

Imports from Australia in June amounted in value to $435,536, in May $233,090, and in April $76,835, a total for the three months of $745,463, so that imports are also showing growth. However, the imports from Australia are not up to the total of the same three months of 1931 when they were valued at $1,518,219.

Duluth South Shore Ry. Gross Down 28 Per Cent

Duluth South Shore and Atlantic Railway Company in 1931 had gross revenue of $2,701,575 as compared with $3,749,602 in 1930. Operating expenses in the same period declined from $3,288,301 to $2,524,727. Net earnings declined therefore from $461,299 to $176,848 after fixed charges and taxes there was a net deficit of $1,075,233.

Great as was the 28 per cent loss in gross revenue this was the experience of other railroads in the same territory during the depression.

There was a very large working capital deficit as current liabilities reached $22,424,268 and current assets were only $1,146,916.

Will Distribute Yeast

Carling Breweries on August 1 starts distributing baking and medicinal yeast through retail grocery and drug stores in the Toronto area, according to an announcement by E. P. Taylor, President of Brewing Corp. of Canada, which controls Carlings.

Laura Secord Sales Step Up On Price Drop

Sales of Laura Secord Candy Shops, Ltd., for the nine months' period ended June 30, are stated by Frank P. O'Connor, president, to have been higher than in the corresponding period in 1931. In a letter to shareholders accompanying the regular quarterly statement for the period ended June 30, 1932, Mr. O'Connor states that these increased sales reflect the larger number of buyers attracted by the reduction in price made at the beginning of 1932.

Actual statistics as to sales and earnings are not given in the quarterly statement beyond the general statement just quoted by the president.

Surplus Increases

Total current assets advanced during the year from $1,469,476 to $1,507,550 and current liabilities dropped from $48,101 to $39,449. Working capital is therefore much stronger than ever and holdings of government and other bonds have shown a decided increase.

Government and other bonds now held are $1,300,308, nearly $150,000 more than on June 30, 1931.

Depreciation reserve was kept up during the year from $385,375 to $416,456.

Surplus account also increased from $859,534 to $884,194.

Merchandise Sales Increase To United States in June

An outstanding feature of the export trade of Canada in June, was the increase in the merchandise sold to the United States. The value was $15,751,485, as compared with $14,189,019 in May, an increase of $1,562,466, and $12,085,348 in April. The large part of the June increase was in planks and boards and pulpwood.

With this increase the Canadian domestic exports to the United States in June were greater than the exports to all the countries of the British Empire combined. These totalled in value $14,998,270, a decline of $268,712 from the May total of $15,266,982.

Canada Bud Breweries Sales Show Increase

While beer sales in the Province of Ontario are sharply down for the first five months of 1932, sales made by Canada Bud Breweries Limited are stated to show an increase over the corresponding period of 1931 and dividend requirements for the first six months were earned by a safe margin, according to a letter by Charles E. Kiewel, managing director, with the company's quarterly dividend cheque. Activities in the British West Indies appear to be showing results as shipments to these islands are increasing.

City Club Breweries Ltd., subsidiary company, acquired early in 1932, is stated to have operated at a profit in May with sales 25 per cent higher in June and net profits in proportion.

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Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2
MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.
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TORONTO, JULY 30, 1932

BRUCE SPEAKS MIND OF DOMINIONS

GREAT BRITAIN came to the Imperial Economic Conference equipped as it never before was equipped for any similar conference. Before, Britain has come empty-handed, asking for further tariff favors from the Dominions but with no important preferential arrangements of its own. This time it is different; Britain now is granting preferences to the Dominions, a slight and tardy response to the magnificent, long-standing gestures of the Dominions, but at any rate a response. Thus, as Mr. Baldwin puts it, "as a result of the change in our fiscal policy this conference has a degree of freedom which has been denied to earlier conferences. . . . The principle of Imperial preference has been recognized."

But Mr. Baldwin rather spoiled the effect of his plea by emphasizing the fact that the preferences Britain has granted are "provisional;" by urging that the relative value of preferences given and received should not be measured too closely or too exactly; and by going no further in his response to the Dominions than to say that "we hope that as a result of this conference we may be able not only to maintain existing preferences but in addition to find ways of increasing them."

This means that Britain will continue its present preferences only if it gets additional preferences from the Dominion, which makes quite meaningless Mr. Baldwin's grateful acknowledgment "of the help that our country has received from the preferences voluntarily given by the Dominions."

Mr. Bruce, for Australia, did not take long to express his astonishment at the suggestion that the new British preferences were conditioned on new or increased preferences being granted by the Dominions. He said bluntly and practically:

> "The unanimous view of the Australian people is that, while for a quarter of a century they have given preferences to Great Britain freely and unconditionally, they regard the British preferences granted under the Import Duties Act as a somewhat tardy response for the benefits from Australia long enjoyed by British industry."

Mr. Bruce also stated that all proposals made by Australia for further preferences to Britain were conditional upon what could be deemed reasonable reciprocity by Great Britain.

In such an atmosphere of plain speaking the conference may well get somewhere. But there will be tedious delay until it is clearly recognized by the British delegates that the Dominions consider the preferences they have already unconditionally granted an essential portion of the quid pro quo they are ready to grant or continue in exchange for continuation and increase of the present British preferences.

RUSSIAN BEAR SHOWS UP AT OTTAWA

SOVIET RUSSIA is the big issue at the Imperial Economic Conference. From the start, Russia lurked in the background as a factor bound to have an influence on all the deliberations, but Mr. Bennet brought it definitely to the front of the stage when he said in his opening remarks:

> "We within the British Empire have established our own standards of living. Those it is our duty to safeguard. I am disinclined to comment adversely upon the standard of living of any other country, or upon the economic scheme on which that standard of living is based. But I do say that where they are unlike and antagonistic to our own, we must resist the conscious or unconscious efforts to put them in free competition with our own.
>
> "When we find our orderly progress opposed, and when our social and industrial existence is threatened, it is our common duty to provide the safeguards which will leave us free to go forward on the course we have decided to be the right one. State-controlled standards of living, state-controlled labor, state-aided dumping dictated by high state policy, conflict in theory and in practice with the free institutions of the British Empire. The subordination of individual right and liberty to a national economic plan affronts our whole idea on national development. We must be active in the defence of our institutions. We must put before all else our peace and happiness."

Mr. Bennett's views on Russia are well known. He has often communicated them to friends and unofficial callers. Mr. Bennett considers that the free institutions of British civilization are menaced by the Soviet machine and that for British nations to trade with Russia is to jeopardize their own economic, social and political systems. He has virtually banned all trade between his own country and the Soviet and he feels that the British should be prepared to do the same.

Mr. Bennett is not alone in his views. They are shared by influential Britishers whose opinions have no little weight with the United Kingdom statesmen at the Imperial Economic Conference. The powerful Times and the only less influential Morning Post, of London, have strongly urged measures to curb dumping of Russian goods in British markets. Even the redoubtable "Jimmy" Thomas, the sometimes radical, sometimes conservative, Labor member of the British delegation has been known to express the opinion that the British workingman suffers deep injury from the competition of Russian goods.

Thus prohibitive tariffs by the United Kingdom, directed against Russian products, are quite within the realm of practical possibility. They would be of tremendous import to Canada. Russian competition has virtually barred one product after another out of the British market. Preferential tariffs have proved of little avail against Russian dumping. The Russians are prepared to take what they can get. Canadian producers must seek to extract a profit of some kind. Any reasonable scale of preferential tariffs would be inadequate to bar out Russian merchandise. But a virtual embargo of some sort on Russian goods would give Canada an enormous opportunity in the British market in some lines, particularly if supplemented by even very moderate preferences. Notable among the products that would feel instantaneous stimulus are lumber—rough, sawn, dressed and, in the form of shingles, sash and door, etc.—asbestos, and salmon, fresh and canned. Wheat might benefit but not greatly. For that matter, with Russia pursuing vigorously the extension of its industrial life, many Canadian products are feeling the brunt of Russian competition or are due to feel it in short order.

The whole question will be threshed out behind closed doors. It may indeed be that the future of the Russian dictatorship will be determined under the sunny skies of Canada's capital city.

OUR SCHOOL DOLLARS

THE big problem in the rising burden of educational costs is the increasing attendance in the secondary schools where the cost of educating each pupil is several times the cost of putting children through the elementary grades of the public schools. Since The Financial Post called attention to this situation in a study published last December there has been an awakening of interest in the problem of secondary education and those who have pursued their studies further have been amazed by what they have discovered.

An article in this issue by J. E. Robbins puts the case succinctly. Only one-fifth of the children who start to school in Canada ever finish the secondary grades yet because of the high cost of educating pupils in the high schools, technical schools and commercial schools, the cost of secondary education in Canada is one-half the total cost of all the running all the elementary schools put together. But that is only the beginning of the problem. In recent years the percentage of children going on to advanced studies has been growing rapidly; in recent years the luxury character of this secondary education has developed as witness tiled swimming pools, well equipped gymnasia, and large auditoria; in recent years the capital investment in this type of school has been increasing on a large scale. These facts indicate that the top-heavy quality of our school expenditures will be intensified in the coming years.

It is a very pertinent question whether the nation as a whole can afford to continue its constantly increasing investment in higher education for all classes of children regardless of their mental equipment or their ultimate purpose in life. In the race between taxation and prosperity it seems apparent that we have handicapped ourselves unduly by assuming heavy secondary school costs that do not promise to bring us a commensurate return in widened technical skill among the youth of the land.

We have properly adopted the principle in this country that education for the children of the land should be free. The principle is general in the public schools and largely so in the secondary schools. It is one of those abstract policies that have been accepted without much debate.

The truth of the matter is that to reduce our national costs and equip ourselves for the competitive race of international economics we must abandon our present absurd application of the theory. The age limit up to which education is administered at the public expense should be lowered.

It would be reasonable to adopt the principle that all public school education should be free; that all pupils of average intelligence should then be encouraged to go on to high schools or other secondary schools. At the end of each year the tests for admittance to the next grade should be made more rigorous until in the advanced forms of the secondary schools only the brightest pupils, who hold out definite promise of giving the country an utilmate return for the investment made in them, should be permitted to take their studies.

In any event the fees charged in the secondary schools should approximate the cost of the education provided although scholarships could be granted to bright but underprivileged youngsters.

Part of the solution of the problem does, however, provide for finding jobs for the boys and girls from 16 to 20 who are not particularly fitted for further education in the schools. It is a moot question whether the provision of practically free secondary education has increased the applications for attendance or whether the increasing applications have forced the expenditures on schools. The problem of finding jobs for 'teen age youths in Canada is not a simple one as is attested by the increasing crime among young men—as well as by the higher average age of school attendance. In bringing down costs of secondary education this phase of the problem must receive attention.

BENNETT PROPOSALS UNLIKE DUNNING'S

THE suggestion that Prime Minister Bennett collared the Dunning budget to write his opening address at the Imperial Economic Conference is rather ridiculous. Yet the idea is being spread about the country in newspaper articles and in interviews of comment on Mr. Bennett's proposals.

True, Mr. Dunning and Mr. Bennett alike offered an extension of the free list on British goods; true, Mr. Dunning and Mr. Bennett alike offered substantially increased preferences on British goods; true, Mr. Dunning and Mr. Bennett alike were sincerely interested in attempting to build up a system of intra-Imperial trade.

But these points of resemblance are far over-shadowed by the essential difference between the Imperial trade-building proposals of Mr. Dunning and the Imperial trade-building proposals of Mr. Bennett.

Mr. Dunning made it clear that "we do not intend to meet the British Commonwealth of Nations in a spirit of petty bargaining but rather in a broad spirit of willingness to become in ever-increasing measure good customers of those who treat us in like manner." In brief, Mr. Dunning was willing to cast Canada's bread upon the waters in the hope that it would at some vague season return.

Mr. Bennett specifically made his offer contingent upon an adequate return. He insisted "In return Canada asks the retention of existing preferences and their effective extension to those other natural and processed products of which the United Kingdom is an importer."

The difference is fundamental. Mr. Dunning was merely continuing the traditional policy of the Liberal party as originally framed in the Laurier-Fielding preferences of 1897 in the mistaken hope that return preferences would quickly be forthcoming. The response was not forthcoming but the preferences were continued largely because the Liberal party, low-tariff in viewpoint, found Imperial preferences a round-about but effective way of reducing the measure of protection afforded to Canadian producers.

Mr. Bennett puts the arrangement upon a business basis and any agreement effected upon such a basis is more likely to prove enduring and mutually satisfactory.

NEWFOUNDLAND AT OTTAWA

NEWFOUNDLAND is well represented at the Imperial Economic Conference. Newfoundland occupies a position that is unique among the British Dominions. Many of the questions which are holding the rapt attention of the Ottawa parley at the present time touch Newfoundland only indirectly or in a manner quite different from any other country.

In most British countries the tariff is a protective measure primarily. In Newfoundland it is the chief source of revenue of the government. Tariff preferences can not be allowed unduly to reduce the revenues of the government

At the present time most of Newfoundland's products find their sale in non-British countries. The Mediterranean countries and Brazil buy most of Newfoundland's fish. Germany and Belgium buy the larger proportion of Newfoundland's iron ore. The United States buys half of Newfoundland's paper. This does not mean that larger British markets for these products are not desired. They are earnestly sought by the Newfoundland people but in the meantime, while ways and means of increasing British takings of these products are being devised, Newfoundland must live off its trade with non-British countries and must not do anything to jeopardize that trade.

In the matter of currency and banking, Newfoundland is again in an unique position. There are no banks in Newfoundland but the Canadian banks; no exchange rates but the Canadian exchange rates; no monetary system except that which has overflowed from Canada. In any monetary or currency arrangement that Canada discusses at the Conference it can never properly forget that what it does will affect Newfoundland immediately and directly. Newfoundland can do little on its own except advise the Canadian delegates at the Conference.

Yet, Newfoundland is interested in the Conference and it has sent a strong delegation to Ottawa and it looks for some aid in the development of the resources of its island domain and its Labrador assets and it hopes that this aid will be forthcoming in some form from the Ottawa parley.

Canadian industries, attempting to convince the British delegates to the Conference that they are well established, run the danger of over-playing their hand and convincing the Canadian delegates that they have reached maturity and capable of standing on their own feet without protection.

POST-scripts

IT WOULD be impossible to estimate closely how many people have been attracted to Ottawa by the Imperial Conference. There are probably 500 delegates, advisers, secretaries, families, etc.; probably an equal number of unofficial or self-appointed advisers including representatives of all kinds of business organizations; about 200 newspapermen; and several hundred who are merely curious. Counting in the servants, merchants, hotel and railway employees and others who have been given additional work by the conference the parley is probably pouring additional money into the pockets, or taking it directly out of the pockets, of 5,000 or more people.

ROWING men got a laugh when the account of the Olympic Trials at the Canadian Henley revealed the fact that the Maritime four won their race after rowing right off the course, losing their lead, pulling back again and winning. Sport writers estimate they added 60 yards to their course by the error but they qualified for the games. Years ago the Oxford crew won the Grand Challenge cup under even more difficult circumstances. As stroke was getting into the boat he fainted. Rules did not permit the use of substitutes, but an hour's delay was allowed. At the end of the time it was apparent that Oxford would have to row with seven men or not at all. Six was shifted into stroke's seat, other changes were made in the boat and the race started. The redoubtable seven man crew got away to a good start and led its opponent the whole way to win by nearly a length.

PRESENCE at the Imperial Economic Conference of Rt. Hon. L. C. M. S. Amery, former secretary of state for the Dominions, is not proving embarrassing to any of the British delegates because Mr. Amery is a quietly forceful individual who knows when it is proper for him to submerge his personality. At the opening session of the conference, Mr. Amery sat near the rear of the general public gallery of the House of Commons, listening intently but almost unnoticed.

The conference almost had another former cabinet minister as an unofficial observer. Rt. Hon. Sir Robert Horne, former chancellor of the exchequer, had planned to come to Ottawa but at the last minute decided against it. It is said that he came to the conclusion that it was not fair to the present chancellor, Rt. Hon. Neville Chamberlain, for a former occupant of the office to be active around Ottawa even in a completely unofficial manner. Horne is interested in silver and it is not known yet how important silver will be in the different discussions.

In the Mail

Some Preference History

Editor, The Financial Post:

I look for each issue of The Financial Post to keep myself informed on local and world conditions up to date. In the issue of July 9 on the editorial page there is an article "Canada, Not Britain, Fathered Preference." Perhaps I might add something in confirmation.

On my way from Japan to New York in 1873 I stopped over in Toronto to visit my cousin, Mrs. W. H. Howland. After dinner, Mr. Howland invited me to a church meeting, and on return to his home took me to his library, where we remained until 2 or 3 o'clock in the morning outlining the necessity of Canadian preference in favor of Great Britain. At that time Canadian exports moved largely via U. S. A. ports. Minneapolis, with low rail and steamer rates, seriously cut down Ontario's chance of competing in the landed cost in Great Britain on flour particularly, in which Mr. Howland was interested.

The aim was to support the Canadian Pacific Railway to enter into the Atlantic transportation field and divert the traffic to Montreal, Halifax and Saint John, with equal rail rates to those ports as to Portland, Boston and New York. Mr. Howland emphasized a transportation fact, that whether by rail or steamer, to obtain a profit cars and steamers must have full cargoes "both ways."

Therefore it would be to Canada's best interest to grant a preference on British imports to assist in securing full steamer cargoes to Canada direct, while of course there was no difficulty as regards full cargoes from Canada to Great Britain. The principle was adopted by Australia and New Zealand for the same reason.

The conditions in South Africa were not so important, hence in recent years South Africa cancelled wholly or in part, the British preference.

H. S. CHIPMAN.

New York,
July 11, 1932.

Other People's Views

Real Barriers to Progress

The Commercial and Financial Chronicle, New York.—If we are to heed the words of William Green, president of the American Federation of Labor, the conclusion might be reached that man has over-reached himself and thus brought about the unemployment of eleven millions of persons who are anxious to work, their distress being largely due to the development of marvelous machines.

Man's acumen and skill, this line of reasoning would lead us to believe, have become so great through ingenuity of invention, ability to operate and to find new uses for machine products, that he is oversupplying the earth with commodities. Even the needs of human beings and cultivated taste for luxuries are insufficient to absorb the enormous production. The output of every factory and mill appears to have exceeded the ability of the masses to consume. . . .

. . . . With the growth of civilization, the wants of the population are growing larger and still larger. The luxuries of today become the absolute necessities of tomorrow. The motor car and the radio are examples. New industries are constantly being created. The men displaced in one industry find employment in another. A law of compensation is ceaselessly at work, and a process of adjustment is constantly going on.

In times of activity and prosperity, such as the country enjoyed until the stock market crash of the Autumn of 1929, no one ever advances the theory that we can have too much of the good things of life. It is only when the inevitable reaction from a period of rampant speculation and wild inflation comes, that labor leaders rise up and proclaim that the workers are the victims of too much progress. But depression is as abnormal as reckless expansion and in the one case as in the other a readjustment is found necessary in the end.

Labor leaders could do much to hasten the adjustment, if they cooperated in the establishment of lower wage scales, instead of insisting on a continuance of impossible high wages and completely out of line with current conditions.

Two Dangerous Voices

Newcastle (Eng.) Journal.—Lord Meston uttered a warning against the optimist and internationalist recently when he was elected president of the National Association of Trade Protection Societies, at their annual meeting in the Wharncliffe Rooms.

"Two dangerous voices," he said, "are loud in the land today.

"One is the optimist who calls out that we are around the corner and that the worst is past; the other is the internationalist, who tells us that nothing can be done save by world forces in unison. The latter I describe as dangerous, as it puts off that individual initiative and study which alone can save us and the world."

Gold Standard Control Has Many Complexities

Its Effect on Credit and Prices Depends Largely on Extent of Control

Second of a Series of Articles on the League of Nations' Gold Report

In its simplest form, the gold standard would be the acceptance of gold without limit by governments at a fixed price for minting into coin, the free circulation of gold coin as full legal tender and the unrestricted import and export of gold. In making a study of the gold standard, however, it is found that there are many complexities which do not appear on the surface for, as the final report of the Gold Delegation of the League of Nations points out, never in history has the gold standard been simultaneously applied in exactly the same manner in all countries which are roughly classified as adhering to it.

Influence of Gold

Movement of gold from one country to another, were gold the only medium of exchange, would in itself produce local changes in the amount of money in circulation and hence would have a direct affect upon prices. The influence of gold in such circumstances is described in the report by means of an imaginary illustration.

"We may imagine," according to the report, "a country the value of whose exports, owing to an unusually abundant harvest, appreciably exceeded that of her imports. The excess of exports, we may assume, was paid for by an import of gold. This gold would then pass into circulation in the country receiving it, and conditions would be created likely to result in an increase in the total money income of the population of that country, and, in consequence, in the demand for (and the prices of) the goods upon which this income was expended.

"This increase in domestic prices would have made foreign goods, the prices of which had not risen proportionately, more attractive to buy, and the domestic goods less attractive to the foreigner. The commodity imports of the country would then tend to increase and her commodity exports to decrease. This process might continue until a new equilibrium between imports and exports was established. If it continued beyond that point, the excess of imports would have to be paid for (failing temporary loan accommodation) by an export of gold. The original gold influx would thus set in motion a train of events leading to a new equilibrium of values and to a reverse movement of gold."

This instance, which demonstrates the forces leading to stabilization of prices, is, as stated above, entirely imaginary and never existed, as all the countries which adopted the gold standard as a basis for their currency during the nineteenth century already had some system of banking through which payment other than by coin was in use. But, although the existence of other means of payment and of an elaborate credit structure modifies the sequence of events and renders it at once more complex and more subject to deliberate control, the report points out that it does not fundamentally alter the forces at work.

Other Means of Payment

In practically all gold-standard countries before the war, payments could be effected by means of coin, notes or cheques drawn against deposits in banks. A direct relationship existed between the amount of gold held and the amount of notes which could be issued and similarly, a certain relationship was established between the volume of sight deposits and that of other media of exchange by the cash ratios which the commercial banks were in the habit of maintaining.

In these circumstances, when gold was imported into any country, part of that gold might go directly into circulation, part into reserves of the commercial banks and part into reserves of the Central bank. Therefore, the influence which any addition to the gold stock could exercise would depend on the manner in which it was divided between these various possible uses. If all the imported gold went straight into circulation the addition to the circulation would be equal to the amount of that gold and no more. If, however, it went into the reserves of the Central bank, which was empowered to issue notes up to, say, three times the amount of its gold reserves, and to the commercial banks which were in the habit of maintaining a cash reserve of, say, 15 per cent against their deposits, the maximum theoretical expansion would be a very wide one.

Influence Not Automatic

Any influx of gold does not, therefore, have an automatic and direct influence on purchasing power, the report shows, and the effect of an increase in money or bank credits on prices would not be automatic, but would depend upon the manner in which that credit was employed.

Prior to the war, Central banks exercised a controlling influence on the movement of gold and on prices through their discount rates. By varying their rates (increasing them when gold reserves fell, and decreasing them when reserves rose) banks were able to exercise a potent influence at once over the effects of inward and outward movements of gold on the domestic credit structure and on the volume of those movements themselves. A rise in bank rates would tend to increase market rates also, and thus raise the price of credit facilities and restrict demand. In this way the total volume of loans and advances, and of the deposits in which those advances were duplicated, could be influenced.

Increase of bank rates, on the one hand, render saving more attractive by increasing the interest earned on these savings and, on the other hand, they tend to check the demand for capital and induce liquidation by increasing the cost of borrowing. Prices tend to fall, which renders the country a more favorable market for foreign purchases and the balance of payments is affected in the manner described above.

Gold Acts as Corrective

Generally speaking, the result of the system as it was actually was to allow gold, by its direct influence, and its indirect influence through the bank rate, to act as a corrective to any disturbance in the international equilibrium.

The complexity of factors which have altered the working of the gold standard since the war and nullified some of its effects on credit and prices are dealt with in the final paragraph of this section of the report, as follows:

Situation Now Complex

"Before large-scale organization, both of capitalistic enterprise and of labor, and an increasing degree of governmental regulation and economic intervention rendered rigid large elements of the price structure, monetary forces could be relied upon to correct disequilibria either nationally or internationally more rapidly and effectively than today. The gradual stiffening of resistance to changes in certain ranges of commodity prices, in wage-rates, in social service costs and the increase in the charges on industry fixed by contract, place a strain upon the working of the gold standard, especially when, as periodically happens, the economic situation requires drastic readjustment.

"On the other hand, the increasing complexity of the credit devices by means of which the gold standard functions, while adding much-needed elasticity and delicacy to its operation, has called for new qualities of understanding, insight and judgment in those to whom important decisions, not only of monetary, but also of investment and economic policy are committed. In proportion as the working of the gold standard has been extended and refined for the purposes of the more complex modern problems, has it become more difficult to manage."

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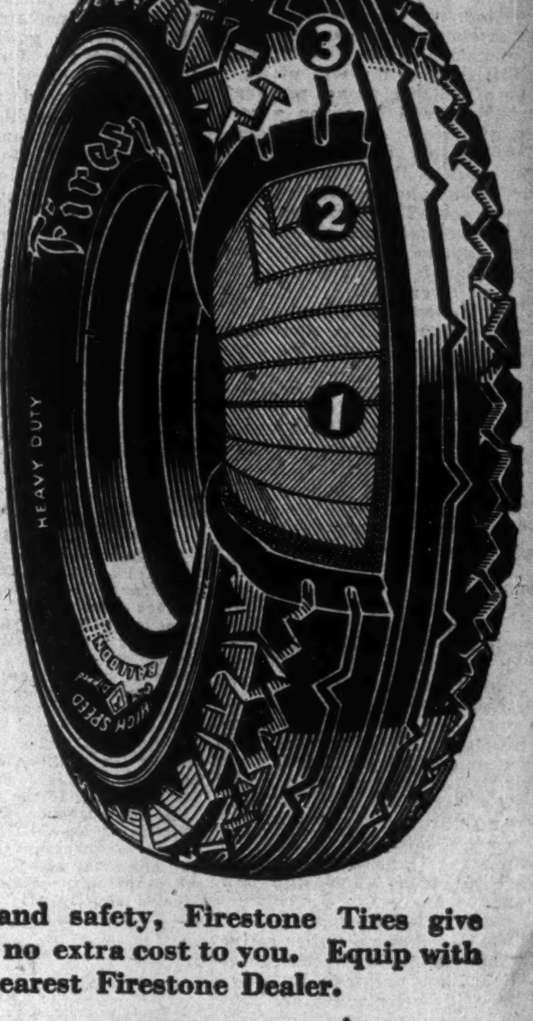
These are placed so as to give 69% greater adhesion between the tread and cord body and 26% extra protection against punctures and blowouts, making the tire safe at any speed.

③ Silent, Non-Skid Tread:
Wider . . . thicker . . . tougher . . . the Firestone quiet running, scientifically designed tread gives 25% more non-skid wear.



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Business Conditions in Canada

The Week in Business

British Debt Conversion Important to Canada

June Business Indices Show Small Decline

ONE factor which has aided toward a better business and financial sentiment in Canada in recent weeks, and which has been somewhat overlooked by the glamor of a Seaway pact and the Imperial Conference at Ottawa, is the gigantic conversion loan project now drawing to a highly successful conclusion in Great Britain.

Lauded as one of the boldest plans in financial history the scheme involves redemption of the entire £2,000,000,000 of war loan outstanding which bears 5 per cent interest and a simultaneous offer by the government to convert holdings of the war loan into new bonds which will be current and irredeemable until 1952. The new loan bears interest at only 3½ per cent and a bonus of £1 per £100 bond is offered to all holders who convert before the end of July. After three weeks effort culminating July 20, more than half the entire loan had been converted, it is reported, and only 2 per cent of total holders asked for cash. It is hoped that 90 per cent of the total will be converted which will result in a net saving to the government of £20,000,000 annually.

* * *

FROM Canada's point of view the immediate reaction was the substantial demand that developed almost overnight for first class Canadian securities. Obviously with British Government securities returning to a 3½ per cent basis, investors immediately turned their attention to first class securities in Britain and other countries and one Canadian financier estimated that probably $15,000,000 of British buying developed in Canada within two weeks. It was this sudden and unforeseen demand that apparently caused the sudden upturn in Canadian bank stocks which occurred just a week or so prior to announcement of a dividend cut by these institutions.

From the long-term viewpoint the conversion has other and wider implications in that it is a major movement to place the national debt on a basis more compatible with the current level of commodity prices and other business and financial indices. This is a problem which all nations will have to tackle sooner or later and it applies to private just as much as national debts. In the United States, President Hoover is staking his hopes on an upturn in commodity prices sufficient to restore the solvency of debtors, and in the meantime loaning corporations with wide powers have been set up to tide over the intervening period by loaning working capital to those whose assets are frozen by the fall in price levels. The results of the British experiment will be watched closely for their bearing on the general and world-wide problem of post-depression debt adjustment.

* * *

IN CANADA The Financial Post index of general business was 1.4 points lower in June than in May. The heavy movement of wheat first to elevators and railway platforms and secondly to the Lakehead, Churchill and Pacific Coast ports was one of the developments of June. A large crop of wheat is practically assured by the relatively favorable season, a situation which naturally will react constructively on business operations in Canada during the crop year.

Automobile output showed a slight gain in June and crude rubber was imported in large volume. The primary iron and steel industry experienced a quiet month, and the output of newsprint was below seasonal expectations. New business obtained by the construction industry was less than in the preceding month. Bank debits due mainly to the rise in the Prairie Provinces were greater, while industrial employment showed a decline. The general index was 110.8 compared with 112.2 in May.

FRUIT PROSPECTS CONSIDERED GOOD IN MOST AREAS

Apple Crop Will Be Lower in All Provinces Except B. C.

Prevailing conditions throughout the Dominion on July 1, indicate that prospects on the whole are good for the principal fruit and vegetable crops according to reports from the Fruit Branch of the Department of Agriculture, Ottawa.

The strawberry crop has materialized and reached a fairly high production figure while raspberry movement has started with the shipment of two cars from British Columbia. Apple crop prospects indicate a reduction in all provinces except British Columbia, and apricots and peaches are the only two tender fruits which are expected to show a decrease in yield as compared with last year. Estimated commercial production of peaches in Ontario is slightly reduced while British Columbia expects a substantial increase. The movement of the cherry crop started around July 1 and a somewhat larger crop is expected in the aggregate.

Grape Crop Good

Apricots are expected to yield a crop slightly less than that of last year, while the aggregate commercial production of pears is expected to exceed last year's final estimate although a considerable reduction is anticipated in British Columbia. Grapes are expected to show a substantial increase in both Ontario and British Columbia, the latter province reporting a steadily increasing acreage and future production is expected to attain considerable volume. The tomato acreage shows a general decrease over that of last year and increased plantings of cantaloupes are reported.

Reports from all sections indicate that the growers as a whole are making a determined effort to produce a clean high grade crop and are closely following spray programmes and keeping plantations in a well cultivated condition.

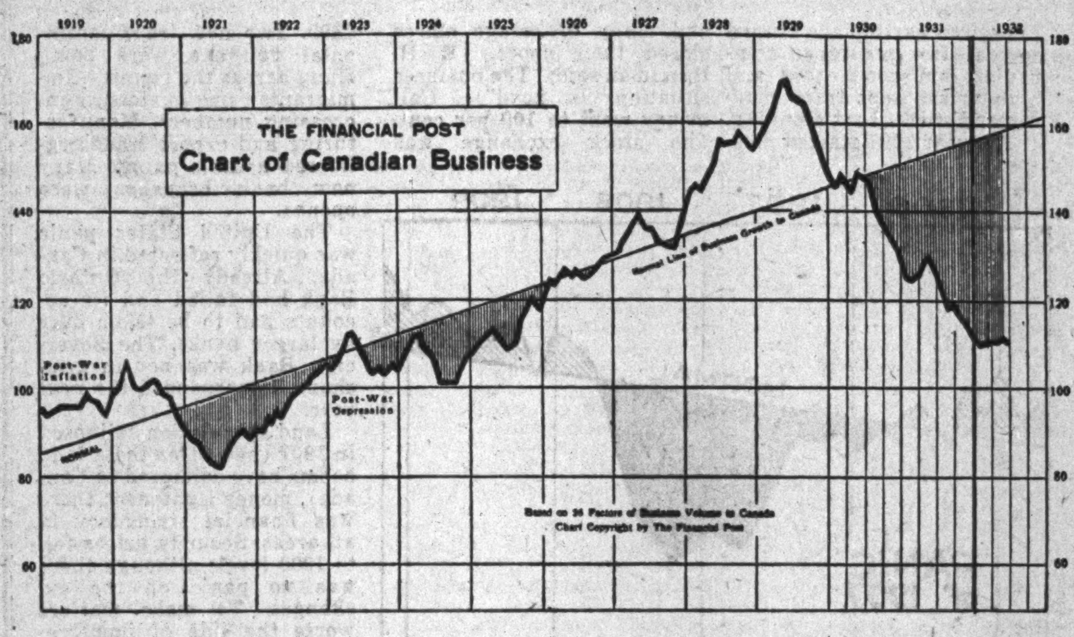
Preliminary estimate of the commercial crop by provinces and including only the districts named is shown in the following table.

	Apples Preliminary Estimate 1932	Final Estimate 1931	% of 1931
	Barrels	Barrels	
N. S.	1,159,000	1,427,492	81
N. B.	28,000	40,000	71
Quebec	154,000	200,900	76
Ontario	628,000	975,750	64
	Boxes	Boxes	
B. C.	4,326,000	3,446,730	125
	Barrels	Barrels	
Canada	3,411,000	3,793,052	90
	Cherries		
	1932	1931	% of
	Bushels	Bushels	1931
Ontario	217,900	172,390	126
B. C.	74,800	66,097	113
	Peaches		
Ontario	770,900	836,233	92
B. C.	83,500	46,180	180
	Pears		
N. S.	5,500	10,275	54
Ontario	264,500	228,875	116
B. C.	140,800	160,871	87
	Plums and Prunes		
Ontario	136,800	126,584	108
B. C.	154,200	89,837	172
	Apricots		
B. C.	40,900	48,732	84
	Grapes		
	Pounds	Pounds	
Ontario	53,720,000	50,880,000	105
B. C.	606,000	538,240	114
	Raspberries		
	Quarts	Quarts	
Ontario	3,488,600	3,071,862	114
B. C.	1,856,400	2,163,111	86

New Biscuit Plant Active

The Sunland Biscuit Company, a newly organized concern, has opened a plant at Edmonton for the manufacture of biscuits, cakes and marshmallows. The capacity of the new plant is 2,000 pounds of finished products a day, and at a later date ovens for baking soda biscuits will be installed.

Business Holds in June—Future Prospects Good



Business sentiment in Canada has been steadily improving in the past six weeks and July and August figures will probably reflect this improvement more definitely. June business as measured by The Financial Post Business Index, published monthly, showed a small decline but has not yet wiped out the gain made in the first five months of the year. Granted a measure of success at the Imperial Conference, business in Canada should show steady improvement during the remainder of the year.

Moderate Decline Shown in June Business Index

Iron, Steel, Construction and Mining Quieter—Rubber Imports, Sugar Production and Lumber Exports Gain—Wheat Shipments Heavy

By SYDNEY B. SMITH

The level of business operations was lower in June than in May but the decline was comparatively moderate. General indexes of business differ somewhat according to the factors included. The Financial Post index during the first six months of 1932 indicates relative stability compared with the wide fluctuations of the three preceding years.

According to this index business operations during the first six months of 1932 were roughly equivalent to the average from 1923 to 1925. Industrial expansion was so rapid during the first eleven years following the war that in spite of the drastic cyclical decline of the last three years the level of operations is still above the low point reached in the primary post-war depression culminating in 1921.

Canada Optimistic

A more optimistic note has developed during recent weeks regarding the future of Canadian business. The change is due mainly to the prospect of a large grain crop in the Prairie provinces following in the wake of three subnormal years, the signing subject to ratification of the treaty providing for the construction of the St. Lawrence shipway and hopes for increased trade engendered by the Economic Conference. The reversal of the trend on the Canadian stock exchange in recent weeks is sufficient tangible evidence of the improved psychology in regard to general conditions, although this has been inspired for the most part by the heavy demand for good Canadian securities by Great Britain following the gigantic loan conversion scheme recently announced.

Actual developments in June could not be regarded as a prop to an outburst of optimism. Operations of the iron and steel industry reached the lowest point on the present movement. The output of pig iron at 8,163 tons was 39 per cent less than in the preceding month. One furnace at Sault Ste. Marie was blown out and one furnace at Hamilton was banked during the month with the result that all furnaces in Canada were out of operation on June 30. The output of steel was 18,118 tons compared with 29,239 tons in the preceding month.

Heavy Rubber Imports

The decline in the output of motor cars was less than normal for the season, production of 7,112 units comparing with 8,221 in May. As production was at a low level during the early months of the year it is logical that operations from May onward should be maintained at a pace somewhat above seasonal expectations. The purchase of crude rubber to the extent of 6,349,000 pounds compared with 3,171,000 in May, serves to show that preparations are being made for the manufacture of tire and other rubber goods in considerable volume.

Owing to the low level of automobile production, the output of pneumatic casings during the first six months has necessarily been somewhat below the production of the same period of preceding years. Replacement demand is becoming a more important factor in the sales of the tire companies. The imports of crude petroleum at 113,950,000 gallons compared with 109,520,000 in May showed less than the normal gain for the season.

Lumber Avoids Tariff

For the purpose of avoiding the new tariff of the United States, exports of lumber to that country were speeded up in June. Total exports in the month under review were 110,690,000 feet compared with 62,950,000 in May a considerable gain being recorded. Newsprint production was at a specially low point in June, output being 161,368 tons compared with 175,887 tons. As shipments were greater than production, mill stocks declined.

Sugar manufactured by the refineries was 73,722,000 pounds in the four weeks ended June 18 compared with 58,751,000 in the preceding period, the gain being considerably greater than normal for the season. Flour production showed a gain of 15.5 per cent in the last month for which statistics are available. Making due allowance for the season, inspected slaughterings showed a considerable gain in June. The slaughterings of cattle, sheep and hogs were greater after seasonal adjustment.

Imports of raw cotton and wool showed decline from the relatively high point reached in May. Imports of cotton were 4,487,000 pounds compared with 12,463,000 and imports of wool were 815,800 pounds compared with 1,096,000.

While gold, copper and coal made a better showing in June, shipments of other metals and minerals were reactionary, the general result being a decline in the mining index. Receipt of gold at the Mint reached a new high point in June, gold mining being one of the few industries favored by the depression. Exports of copper especially to the United States were heavy in June, the gain after seasonal adjustment being about 20 per cent. Nickel exports were 2,279,800 pounds compared with 3,346,200. Products of coal were 749,453 tons, the gain after seasonal adjustment being 3 per cent.

The mining sub-index was 128.6 in June compared with 141.5 in the preceding month.

Construction Down Again

The brighter outlook for the construction industry occasioned by the higher level of new business obtained in May was not supported by developments in June. Contract awards were down to $12,154,700 compared with $14,186,000 in May, the decline after adjustment for seasonal tendencies and price changes being nearly 12 per cent. The decline in building permits was also greater than normal for the season, the total being $4,386,000 compared with $5,290,000.

After adjustment for seasonal tendencies and price changes, exports showed a slight gain in June, absolute increases being recorded by animal products, textiles, wood and paper and non-metallic minerals. Imports showed a decline even after usual adjustments. The index of employment in trade was down nearly a point during the month. Carloadings at 185,181 in June showed a gain somewhat less than normal for the season.

Heavy Wheat Movement

One of the striking features of the month was the heavy movement of wheat to intermediate markets. Owing to the termination of the payment of the 5 cents per bushel bonus on wheat, Western farmers rushed their holdings to market. Receipts at lakehead, Churchill and Pacific coast ports amounted to 34,069,000 bushels in June, greatly exceeding any other month of 1932 or of 1931 except October and November. This extraordinary movement was reflected in bank debits which were $2,203,000,000 in June compared with $2,175,000,000 in May.

The employment situation continued reactionary in June, the decline in progress since the first of the year being continued in the month under review. After adjustment for seasonal tendencies, the index of employment has shown steady decline during the first six months of 1932.

BUTTER PRODUCTION OFF IN FIRST HALF

Decline of Three Per Cent Noted For All Provinces

Butter production in Canada for the first six months of 1932 totalled 92,181,375 lbs. a decrease of 3.1 per cent from the corresponding figure of 1931, according to a special monthly report now being issued by the Dominion Bureau of Statistics.

New Brunswick, Saskatchewan and Manitoba are the only provinces to show an increase in the period, the Saskatchewan gain being the most impressive namely 4.7 per cent. Ontario and Quebec, the two largest producing areas showed declines of 4.5 and 6.3 per cent respectively.

June production alone showed a decrease of 3.3 per cent as against June, 1931. Saskatchewan again led with a substantial gain of 16.5 per cent while Manitoba and New Brunswick also bettered their last year's figure.

Comparative figures for the six month period, by provinces, are:

Creamery Butter Production, Six Months Ending June 30

	1932 Lbs.	1931 Lbs.	% Change
P. E. I.	726,012	*726,012	
N. S.	2,764,388	2,792,456	—1.0
N. B.	948,003	945,343	+0.3
Quebec	22,672,978	24,188,615	—6.3
Ontario	33,387,387	34,963,559	—4.5
Manitoba	9,602,504	9,328,821	+3.0
Sask.	9,038,489	8,632,555	+4.7
Alberta	10,514,220	10,761,700	—2.3
B. C.	2,527,394	2,820,258	—10.4
Total	92,181,375	95,157,319	—3.1

* 1932 figure used for this province as statement by months for 1931 not available.

Business Briefs

Wheat Clearances for the week ending July 14 amounted to 2,859,453, and were by ports; Montreal 1,327,433 bushels, Vancouver 1,127,020, United States Atlantic ports 405,000. As showing the change in routing, the 2,323,232 export of the same week a year ago was as follows: Montreal 512,611, Vancouver 883,621, United States Atlantic Ports 927,000.

Car Loadings for the week ending July 16 amounted to 37,699 cars, which was 1,354 cars fewer than the previous week. After adjustment, however, for seasonal variations, the index number of the Dominion Bureau of Statistics was only slightly below that of the previous week, namely, 61.91 for last week and 61.93 for the week before. Car loadings were light in the Eastern Division, being down 1,435 cars.

Better Peach Crop Expected

The peach crop in Ontario promises to be larger and better than that of last year, according to signs to date. Burlington and Niagara, the two heaviest producing districts, will have crops at least equal to those of last year while other districts look for an increased yield.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (July 16)	37,699	47,842	1,151,881	1,350,431
C.P.R. gross earn. (July 21) $	2,277,000 $	2,748,000 $	64,297,000 $	80,247,000
C.N.R. gross earn. (July 21) $	2,784,068 $	3,298,097 $	78,198,361 $	98,144,937
	Monthly			
C.P.R. net earn. (May) ..... $	737,365 $	1,074,249 $	3,673,263 $	4,886,535
C.N.R. net earn. (May) .. $	731,794 $	440,689 $	1,180,818 $	1,434,040
Iron and Steel—				
Pig iron, tons (June)	8,163	55,822	77,201	299,222
Steel, tons (June)	18,118	55,605	180,488	461,877
Automobiles prod. No. (May)	8,221	12,738	32,557	59,250
" exports, No. (May)	374	1,569	2,317	9,367
Construction—				
Building Permits (June) ... $	4,386,349 $	8,593,958 $	22,577,143 $	58,950,508
Contracts (June) .... $	12,154,700 $	29,793,400 $	74,761,200 $	162,937,600
Newsprint—				
Production, tons (June) ..	161,368	193,971	1,004,248	1,138,321
Exports, tons (June)	155,895	189,738	933,446	1,025,672
Sugar—				
Imports, raw, lbs. (May) ...	98,571,500	144,866,300	268,411,800	307,303,400
Melt. & ship., lbs.	75,005,015	72,933,181	§282,554,851	324,727,425
Manufactured, lbs.*	73,721,634	69,359,926	§273,800,533	311,551,974
Flour—				
Production, bbls. (May)	1,040,693	1,183,280	4,781,163	5,527,658
Wheat flour exp., bbls. (June)	570,361	490,294	2,872,226	2,665,258
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (June)..	110.68	86.85	408.07	459.38
Boots & shoes, pr. (May) ...	1,656,088	1,740,792	7,570,393	7,402,528
Petroleum, imp. crude, gal. (May)	109,520,000	107,210,000	337,031,589	346,980,908
Cotton, imp., raw, lbs. (June)	4,487,000	5,269,000	46,994,000	46,207,000
Rubber, raw, imp., lbs. (May)	3,171,000	6,155,000	20,322,892	25,684,491
Coal, imports tons (May) ..	1,039,887	1,191,017	3,432,136	4,167,411
Gasoline sales, gals., (Mar.)	27,663,888	....	81,787,845	....
Trade—				
Imports (June) .... $	40,743,105 $	52,508,534 $	242,047,511 $	353,898,594
Exports (June) .... $	40,945,490 $	54,348,421 $	228,062,711 $	291,655,503
Wheat exports, bus. (June)	15,357,427	20,783,219	68,206,072	87,836,709
Labor—				
Employment Index (May) .	87.5	102.2	....	....
Electric Power—Output—				
M. Kilowatt hours (May) ...	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (May)	204	163	1,061	944
Failures, Liabilities (May) ... $	3,148,067 $	2,970,416 $	17,427,169 $	17,996,421
Bank Debits† (May) .... $	2,175,000 $	3,171,608 $	10,334,024 $	13,731,606
Bond sales (June) .... $	20,565,444 $	52,235,397 $	161,246,484 $	326,403,511
Insurance sales (June) ..... $	40,968,000 $	46,227,000 $	218,533,000 $	261,502,000
Automobile Financing:				
Used cars (June) .... $	1,682,703 $	2,473,723 $	7,458,517 $	12,609,169
New cars (June) .... $	1,771,649 $	2,444,721 $	7,828,841 $	12,981,053

*Four weeks' period, May 28 to June 18. §Jan. 1 to June 18.
†(000's omitted).

Ford Improves Sales Standing By June Total

Ontario accounted for 64 per cent of new car sales in Eastern Canada for the six months ended June 30, and 67.5 per cent for the month of June, while Quebec had 23 per cent and 20.5 per cent, respectively. The increased percentage for the month of June in Ontario is wholly accounted for by sales of the new Ford, which accounted for more than 47 per cent of the provincial figure.

Over Eastern Canada, sales of the new Ford in June accounted for 43 per cent of the total with Chevrolet sales in second place with less than 20 per cent. Plymouth maintained its standing in third position followed by McLaughlin and Pontiac.

For the six months ended June, Chevrolet leads by a good margin with sales of 6,910 out of a total of 23,856, while Ford, in second place, almost doubled its five months figure.

Plymouth and DeSoto remain the only two leading makes to show improved figures this year compared with last.

June and six months sales for the leading makes follow:

Auto Sales in Eastern Canada

	June 1932	6 Mos. 1932
Chevrolet	1,085	6,910
Ford	2,464	5,433
Plymouth	448	1,819
McLaughlin	208	1,476
Pontiac	180	1,345
Chrysler	132	730
De Soto	125	707
Dodge	79	703
Essex	121	617
Studebaker	90	595
Durant	85	555

BUILDING PERMITS DOWN 17 PER CENT

June Figure is 49 Per Cent Below 1931 Level

Value of the building permits issued by 61 cities during June was $4,386,349; this was a decrease of $903,157 or 17.1 p.c., as compared with the May total of $5,289,506, while in comparison with June, 1931, there was also a decline of $4,207,609, or 49.0 p.c., the value for that month having been $8,593,958. The aggregate for the first six months of 1932, viz., $22,577,143, was lower than in 1931 and also than in any other year of the record; in this connection, however, it is important to note the considerable decline in the wholesale costs of building materials, the Bureau's index having fallen from 144.5 in January-June, 1920, to 78.6 during the first half of the present year, or by 45.6 p.c. The 1926 average equals 100 in calculating these index numbers.

Improvement over May, 1932, was recorded in Quebec and Ontario, where there were increases of 4.7 p.c. and 36.5 p.c., respectively. Of the declines elsewhere, that of $973,147, or 87.8 p.c. in Manitoba was largest.

Of the larger cities, Montreal recorded an increase in the value of the permits issued as compared with the preceding month, but a decline as compared with the corresponding month in 1931, while Toronto, Winnipeg and Vancouver reported decreases in both comparisons. Of the other cities, Sherbrooke, Guelph, Niagara Falls, Sault Ste. Marie, Windsor, Woodstock and Nanaimo indicated improvement over May, 1932, and June, 1931.

IRON, STEEL PLANTS AT 35 P.C. CAPACITY

No Furnaces in Blast in Canada at June 30—Output Low

Production of pig iron in Canada at 8,163 long tons in June was the lowest reported for any month of the year to date, being 39 per cent under the 13,339 tons of May and 85 per cent below the corresponding total of 55,822 tons made in June of a year ago. The decline from May was mostly in the foundry and malleable grades with basic iron showing little change. Basic iron output amounted to 6,894 tons as against 7,068 tons, malleable iron dropped to 1,269 tons from 5,130 tons, and no foundry iron was made during the month under review as against 1,141 tons of this grade in May.

During the month one furnace at Sault Ste. Marie, Ont., was blown out and one furnace at Hamilton, Ont., was banked, with the result that there were no iron furnaces in blast in Canada on June 30, 1932. The banked furnace has a capacity of 550 long tons a day or about 13 per cent of the total capacity of all the iron furnaces in Canada.

Production of steel ingots and direct steel castings in Canada during June reflected the drop in pig iron and declined to 18,118 tons from 29,239 tons in the previous month. In June last year the tonnage was 55,605

June Trade Totals Down $25,000,000

Canadian external trade in June totalled $81,688,595. This compared with $106,856,955 in June of 1931, and with $170,247,272 in the like month of 1930. June exports totalled $40,945,490 and imports $40,743,105, leaving a favorable balance on the month of $202,385, against a favorable balance a year ago of $1,840,887.

Comparison of June exports with those of a year ago shows farm products more than 6¼ millions lower at $15,041,895. Forest products are down 4½ millions to $12,677,000; there are smaller declines in all other classes of exports. Among imports, farm products are down about 1¼ millions. Textile imports are lower by nearly two millions at $5,309,000. Iron and steel imports are lower by about 3¼ millions at $6,709,000, and non-metallic mineral imports are down over half a million at $9,229,000. Chemical imports are slightly higher, while miscellaneous imports are lower by over 1¼ millions at $2,968,000.

June	1932 $	1931 $	1930 $
Exp. ..	40,945,490	54,348,421	78,703,281
Imp. ..	40,743,105	52,507,534	91,543,981
Bal. ...	*202,385	*1,840,887	†12,840,700
T. T. ..	81,688,595	106,856,955	170,247,272

* Favorable.
† Adverse.

Chevrolet Tops List For Commercial Car Sales

Commercial car sales in Eastern Canada for June totalled 825 of which total Ontario provided 483, Quebec 229, Nova Scotia 64, New Brunswick 46 and Prince Edward Island 3. Of the monthly total, Chevrolet provided 301 and Ford 216.

For the six months ended June 30, total sales of commercial cars in Eastern Canada numbered 4,169, of which Ontario accounted for 2,274 and Quebec 1,279.

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Please send me The Financial Post for the next year (52 issues). I enclose $5.00.
Name ....
Occupation ....
Address 78

NOTICES

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the municipality of the Town of LaSalle has become subject to the provisions of Part VI of the "Ontario Municipal Board Act, 1932," by an Order of the Ontario Municipal Board bearing date the 28th day of June, 1932, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a Writ or Executiion against it without leave of The Ontario Municipal Board.

DATED this 28th day of June, A.D., 1932.

H. C. Small,
Secretary of The Ontario Municipal Board.

Whittall Gets Sherwin Paint Order for Cans

From Our Own Correspondent

MONTREAL.—Whittall Can Co. has arranged a long term contract with Sherwin-Williams Co. of Canada whereby all the latter company's can requirements will be manufactured by the Whittall Co. In the past Sherwin-Williams has manufactured a portion of its own cans but under the new arrangement the can plant will be dismantled.

In recent years output of Whittall Can Co. has been widened. It now supplies all the requirements of its canning subsidiaries which in former years obtained a certain portion of their cans from other sources. These and other contracts account for about 70 per cent of the Whittall output; contracts are on varying terms up to 1935.

Despite the fact that income from canning subsidiaries was nil in the fiscal year ended February 29, 1932 earnings of Whittall Can Co. showed good gains. In that period net earnings were $330,795 compared with $175,116 in the previous year. Dividends on its investment in Associated Quality Canners were nil; in the previous year they totalled $62,887.

DIVIDEND NOTICES

THE BANK OF TORONTO

Dividend No. 204

Notice is hereby given that a Dividend of Two and one-half per cent, upon the Paid-up Capital stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of September next, to shareholders of record on August fifteenth, 1932.

By Order of the Board.

H. B. Henwood,
General Manager

Toronto, July 20th, 1932.

Hollinger Consolidated Gold Mines, Limited

DIVIDEND NUMBER 230

A regular dividend of 1% has been declared on the Capital Stock of the Company, payable on the 11th day of August, 1932, on which date cheques will be mailed to shareholders of record at the close of business on the 28th day of July, 1932.

Dated the 21st day of July, 1932.

L. McIVOR,
Assistant-Treasurer.

The Canadian Bank of Commerce

Dividend No. 182

Notice is hereby given that a dividend of Two and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1932, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st September next, to shareholders of record at the close of business on the 31st day of July, 1932. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN
General Manager.

Toronto, 22nd July, 1932.

BANK OF MONTREAL

Established 1817

DIVIDEND No. 277

NOTICE is hereby given that a DIVIDEND of TWO AND ONE HALF per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 30th July, 1932.

By Order of the Board,

W. A. BOG, General Manager
JACKSON DODDS, General Manager

Montreal, 19th July, 1932.

The Royal Bank of Canada

DIVIDEND NO. 180.

NOTICE is hereby given that a dividend of two and one-half per cent. (being at the rate of ten per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Thursday, the first day of September next, to shareholders of record at the close of business on the 30th day of July, 1932.

By order of the Board.

M. W. WILSON,
General Manager.

MONTREAL, Que., July 19, 1932.

The Guelph Carpet and Worsted Spinning Mills Limited

Preferred Dividend No. 13

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet and Worsted Spinning Mills Limited, for the three months ended July 31st, 1932, payable August 1st, 1932, to Shareholders of record at the close of business July 20th, 1932.

By Order of the Board,

B. F. GRIGGS,
Secretary-Treasurer.

Guelph, Ont., July 20th, 1932.

INT. PROPRIETARIES DOES WORLD TRADE KEEPS UP PROFITS

Surmounts Tariffs, Exchange Difficulties and Depressed Business

STRONG POSITION

Eleven Subsidiaries Expand Business—Increases Gains in United States By Advertising

Despite lessened buying power of people in practically every country, increased tariffs everywhere and fluctuations in exchange which make international trading difficult, International Proprietaries, Ltd., presents in its annual report for 1931 a comparatively cheerful picture to those of most companies doing a world business in that it was able to maintain business and profits almost on the old level. Working capital has been kept strong, and earnings were equal to $4.21 a share on 224,265 Class "A" $2.60 shares and to $3 a share on Class "B" stock after paying $2.70 a share on Class "A" stock, including 10 cents a share as participation dividend. The dividend paid on Class "B" stock was 80 cents a share, and the company was therefore able with the annual surplus to raise the consolidated surplus during the year from $604,117 to $832,467.

Details of the income and surplus account are as follows:

CONS. INCOME AND SURPLUS ACCT.
Years Ended Dec. 31

	1931 $	1930 $
Net earn. after deprec.	1,233,348	1,234,214
Less:		
Prov. for inc. tax	266,392	238,320
Prov. for staff bonus and pension fund	8,260	19,355
Organ. expe. w/o	13,768	12,851
Net profit	*944,908	963,688
Less appropriations:		
Dividends:		
Class "A" regular	583,089	583,185
Class "A" partic.	22,427	56,066
Class "B"	90,000	225,000
Minor. int. of Thermogene Co. divds.	14	21
Surplus for year	249,378	99,416
Add: Prev. surplus	604,117	504,701
Less: Tax adj.	21,028	......
Bal. carr. for'd.	832,467	604,117

*Exchange losses on funds transferred during the year have been charged against earnings.

Strengthens Position

It will be noted that the company added to its surplus only in these trying times by paying only $22,427 as participation dividend instead of $56,066 in 1930 on Class "A" stock and $90,000 instead of $225,000 in 1930.

Working capital was a little down, but the ratio of current assets to current liabilities was still very favorable as shown by the following table:

Working Capital

	1931 $	1930 $
Current assets	2,556,321	2,754,017
Current liabs.	652,835	759,924
Working capital	1,903,486	1,994,043
Ratio	3.91—1	3.62—1

Cash And Investments Gain

Though there was a decline of nearly $200,000 in current assets cash went up from $697,040 to $738,508 during the year and inventories were well maintained at $585,293. Accounts receivable, less bad debts reserve, dropped from $569,187 to $551,948 and marketable securities from $898,166 to $680,573 at cost, the market value at the end of 1931 being $591,764. Accounts payable declined from $759,924 to $652,835 in the same year.

The decline in current assets was balanced by an increase in other assets. Investments in other companies at cost increased from $127,946 to $479,295.

The balance sheet shows 11 wholly-owned subsidiaries of International Proprietaries.

In his report to shareholders Harold F. Ritchie, president, has the following comments to make:

Exchange Troubles Everywhere

"Eno's 'Fruit Salt' is sold in practically all the countries of the world and exchange rates in most of these countries showed a bad decline during 1931. The Australian pound that was formerly worth $4.86 2/3 was worth approximately $3.30 at the end of 1931. Argentine exchange declined from 42½c to 25c. Brazilian exchange declined from 12c to 6½c. Colombian exchange showed a drop of only 5 points from the parity of their dollar. Mexico, early in 1931, changed from gold to a silver basis, and exchange which was around 52 at the beginning of 1931, declined to 39 at the end of the year. Depreciation of exchange has been met with in almost all European countries and similar conditions have been experienced in India, Egypt and Japan. The above fluctuations in exchange will illustrate some of the difficulties of handling a world-wide business today. Exchange is a problem, to a greater or lesser extent, in practically all countries throughout the world in which we are doing business.

More Business in United States

"Conditions in Great Britain showed a wonderful improvement during the year, and it is hoped that the Imperial Conference will further this improvement. South Africa has adhered to the gold standard, and we were able to gain a benefit in exchange on transfers from that country as well as from the United States.

"All losses in exchange from the transfer of funds during the year have been provided for and it might be stated that if all the net current assets of your company being made use of in all branches throughout the world had been transferred to Canada on the 31st of December, 1931, there would have been a reduction of $163,700, in net current assets, to which your auditors have drawn attention, but this, of course, would mean abandonment of business in all parts of the world where your company conducts operations. Despite the depression in the United States, we are pleased to say that while more money was spent in that country in advertising, the increased profits have more than taken care of this increased expenditure, and we are now feeling the effect of our advertising campaign there in the shape of a very substantial increase in business so far in 1932, over 1931.

More Economies Made

"In November, 1931, the Australian plant commenced operations. The Argentine plant did not begin to produce until January, 1932, the Brazilian plant in March, 1932, and the Colombian plant in May, 1932. Plants will be in operation in Venezuela and South Africa in September, 1932, and it is expected that these new plants will greatly reduce the cost of doing business in the countries where they are situated.

"Throughout the year substantial economies have been brought about through the use of improved equipment. Foreign factories have been visited. Directors and managers from abroad have visited us, and three of your directors have visited the London, England, office of J. C. Eno Limited. In March this year the president and secretary visited Colombia and Venezuela branches and propose to visit Brazil and Argentine in September. The management is in constant touch with the managers of factories abroad, with the result that operations are carried on, on the most economical basis possible, and your directors desire to state that they believe production is being handled better than ever before in the history of your company."

Canada Comes Through - - 1907

CANADA'S golden era dated from the beginning of the twentieth century to the outbreak of the war. The progress made in this period was amazing. Half way through this period the country was forced to go through the perilous panic of 1907, regarded by the United States as the greatest of all panics in that country (bar 1929), and it is amazing that Canada suffered as little as it did.

The 1907 panic was largely an American affair. True, there were panics in Egypt and Japan (in the latter country as a reaction from the post-Russian war excesses) but these were not needed to start trouble in New York.

Britain did not suffer greatly in 1907. The San Francisco earthquake in 1906 dealt many of her insurance companies a severe blow but apart from money stringency and a moderate decline in security prices and a slight recession in business in the months following Britain came through unscathed.

But it was different in New York. Following the great merger era of the nineties and early years of the new century, various kinds of industrial, political and financial trouble appeared in the States. In 1904, the U. S. Supreme Court licked Morgan, Harriman and Hill in the Northern Securities trust case. The year 1905 was a year of great business prosperity but Roosevelt started anew his trust-busting activities and Charles Evans Hughes showed up crookedness in certain big life insurance companies. In 1906, the $350,000,000 loss of the San Francisco earthquake ruined several fire insurance companies, but good crops and high prices kept trade moving and stocks kept climbing.

The year 1907 started nicely (on the surface) but Roosevelt swung his big stick at the corporations, trust-busting was renewed, Judge Landis fined the Standard Oil $29,000,000, copper prices declined, and the big copper merger got into trouble. Stocks declined. ("It's a mystery to me" said William Rockefeller). Some of the big banks were involved and when the giant Knickerbocker Trust closed its doors in October the panic was on. Other banks failed in turn and many brokerage offices closed their doors. (E. H. Harriman said, "The business situation is good"). Call money went to 100 per cent. The stock exchange was about to close, when J. P. Morgan organized a money pool and put up $25,000,000 to loan to brokers. The stock market was saved although stocks lost all of their gains since 1900. While acute panic passed in two months, bank failures continued throughout the country and the failure of Westinghouse was unsettling. Business was nervous throughout 1908 but in time received its equilibrium.

In Canada, a great boom has proceeded unabated from 1899. Two new trans-continental railways were being flung across the country. Immigrants came in steadily increasing numbers. Manufacturing and export trade registered notable gains. Many new bank branches were opened.

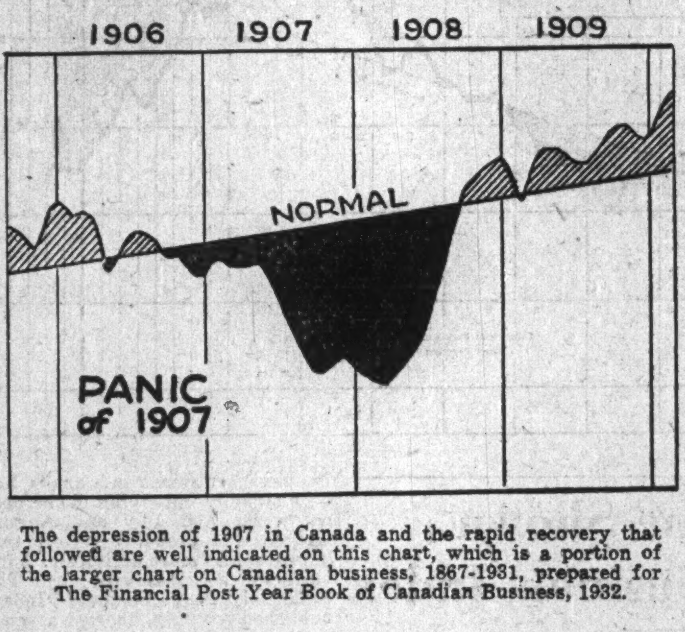
The United States panic was quickly reflected in Canada. Already the Ontario Bank had failed and its accounts had to be taken over by larger banks. The Sovereign Bank was not in good shape. It suspended the next year.

Land speculation collapsed in 1907 (how often these land booms have collapsed in Canada), money tightened; there was financial stringency in all areas. Security prices fell to 1900 levels although there was no panic on the exchanges. To make matters worse the tide of immigration receded somewhat and crops were near failure. Business insolvencies rose from 7,700 in 1906 to 10,300, in 1907.

The year 1908 was marked by depression in manufacturing and a further relapse in foreign trade. But conditions straightened away in Canada much more rapidly than in the United States. A great rush of homesteading started the immigrants coming again. Commodity prices resumed their advance; crops were good; railway building and general construction resumed. Soon Canada was pitching headlong through hectic inflation.

Canada came through the great panic of 1907 with no continuing scars.

Next Week: 1914



The depression of 1907 in Canada and the rapid recovery that followed are well indicated on this chart, which is a portion of the larger chart on Canadian business, 1867-1931, prepared for The Financial Post Year Book of Canadian Business, 1932.

United States Makes Bid As Empire's Best Customer

Imports of U. S. A. from Empire Countries Almost as Great as Those of Great Britain

By National Foreign Trade Council, New York

The British Empire's greatest customer awaits with keen attention and sympathetic interest the results of the Imperial Economic Conference in Ottawa.

Second to Great Britain herself as the world's greatest importing nation, the industries of the United States have spent approximately 33 cents within the British Empire out of every dollar's worth of products purchased abroad in recent years. Our value as a customer of the British Empire, as measured by our imports during the last normal trading year, 1929, is approximately a billion dollars, excluding our $400,000,000 purchases from England herself. We thus effected 25 per cent of our purchases abroad from the British Empire, excluding Great Britain. This is almost as favoring a position as that of Great Britain herself whose purchases from the Empire in 1929 amounted to about 28 per cent of her total imports, to a value of about a billion and a half dollars.

Ratio Unchanged in 1931

Since the depression these values have greatly changed, but the proportion is the same. In 1931 our purchases from the British Empire amounted to $617,000,000, or less than half their total in 1929. But they are still about one-third of our total imports. And taking into consideration the severe price recessions of the past two years, especially in rubber, tin and jute, and other Empire products, the actual volume of our import trade with the Empire has only diminished by between 20 and 25 per cent.

But the fact that the value of this vast trade could be cut in half in two years, under adverse world trading conditions, should, we believe, reinforce the views of those economic statesmen of the British Empire who insist that the United States should be treated not merely as a competitor, but as the greatest of the Empire's customers.

Big Empire Purchaser

The averages of the past five years reveal us, for example, as steady customers for the Empire's rubber from the Straits Settlements to the extent of close to 200 million dollars a year, for Canada's wood pulp and newsprint paper to the extent of 150 million dollars a year and timber to the extent of 70 million dollars a year, to India's jute at 80 million dollars a year, to Malaya's tin at 55 million dollars a year, and to wool and to hides and skins from Australia, New Zealand and South Africa at 30 million and 18 million dollars a year, respectively. There are other items such as diamonds which have come indirectly to us from the British Empire to the extent of 50 million dollars a year. These are vital elements in a vast world trade in which the United States sustains the economic structure of the British Empire in no inconsiderable way and in which, as in the case of rubber where our consumption is 75 per cent of all that is produced, our purchasing power is not merely important but decisive.

In a wide variety of British possessions dotted all over the world, we buy more than we sell. Such is the case, for instance, with India, British Malaya, Ceylon, Jamaica, Trinidad, the Gold Coast and Nigeria in Africa, Aden, Newfoundland, and British Honduras. We sell more than we buy in the cases of Australia, the Union of South Africa, New Zealand, Canada, the Irish Free State, Great Britain herself, and several other sections of the Empire.

But few Americans realize that in the British Empire as a whole, excepting Great Britain and Canada, the United States has an unfavorable trade balance. In the case of Canada our favorable trade balance of 300 million dollars is fully offset by the expenditures of our tourists, by the payments by American companies of interest on Canada's investments in this country, and other items. A considerable part of our so-called favorable balance with England is also offset by similar items, plus other important "invisible" items such as those of shipping and insurance services.

Our interest in the purposes of the Conference is, therefore, far less that of a trade rival than that of an indispensable partner in Imperial prosperity. Americans have more than five billion dollars invested in the British Empire, and there are more than one billion, six hundred million dollars of British Empire money invested in this country. We buy from Canada, moreover, 15 per cent more than all the British Empire together, 50 per cent more than the United Kingdom, and 28 times as much as Australia and New Zealand combined.

Finally, so far as Canada is concerned, no recent developments, in tariffs or otherwise, have seriously altered the proportionate trade done between these two great friendly nations. Whereas, in 1911, 38 per cent of Canada's exports came to the United States, in the fiscal year 1931-2 that percentage had risen to 41 per cent. In 1911 60.8 per cent of Canada's imports came from the United States and in 1931-2 the percentage was almost exactly the same at 60.7 per cent. There is some reassurance, therefore, to those who still hope for reciprocal arrangements between these two countries in the fact that each of them still does almost identically the same ratio of trade with each other as in the year when reciprocity was last an active issue.

TWINE INDUSTRY REVIEWED FOR '31

Gross value of production in the cordage, rope and twine industry suffered a falling off in the gross value of production of 32.2 per cent in 1931, according to a report by the Dominion Bureau of Statistics. Gross value of production was only $5,796,490 or a drop of 51 per cent from the peak value of $11,798,000 reached in 1929.

In both years the decrease is almost all accounted for in the manufacture of binder twine. In 1931 the value of production of this commodity was $4,313,512 compared with a value of $6,356,943 in 1930. Twines in 1931 were valued at $301,088 against $470,544 in 1930 and the production of all ropes in 1931 amounted to $1,103,680 as against a value of $1,695,519 in 1930.

BETTER SHOWING BY QUEBEC PROV. THAN IN ONTARIO

Manufacturing Output in 1930 Declined Only 12.5 p.c.

While the province of Quebec felt the general decline in industrial activity experienced by the manufacturing industries of Canada in 1930, it was to a considerably lesser extent than its neighbouring province, Ontario. The gross value of products in Quebec decreased by 12.5 per cent as compared with 17.7 per cent in Ontario while the number of employees dropped only 4.1 per cent as against 9.5 per cent in the neighboring province.

In addition to suffering from decreased volume some of the province's basic industries also suffered from the drastic decrease in commodity prices, typical instances being the cotton yarn and cloth industry where production value dropped 42 per cent from 1929 and butter and cheese production which dropped twelve and a half per cent.

The large amount of female labor on wages in the province is mainly due to the strong position of the textile industry, that industry employing more than half of the 47,441 women working on wages in manufacturing industries in 1930. Persons employed in industry totalled 204,802 in 1930 and they received $216,835,000 in salaries and wages.

Principal Statistics

Comparison of the principal statistics of industry for 1929 and 1930 shows that although there were 254 more establishments reporting and capital employed had increased by $54 million, all other statistics had declined with the exception of primary power equipment installed which recorded an increase of more than 42 per cent. Chief statistics for the past five years are:

CHIEF STATISTICS, PROVINCE OF QUEBEC

Year	Capital	Value of Products
1926	$1,216,975,958	$ 899,644,124
1927	1,376,654,019	982,566,547
1928	1,583,350,884	1,066,302,583
1929	1,673,011,042	1,155,201,014
1930	1,727,064,388	1,022,280,687

Year	Estab.	Employees	Salaries & Wages
1926	7,164	180,669	$189,326,145
1927	7,206	196,094	203,724,997
1928	7,231	204,959	217,887,481
1929	7,156	213,467	238,803,672
1930	7,410	204,802	216,835,675

Classed according to type of products, vegetable products, led by cigars and cigarettes, hold a slight lead in 1930 over wood and paper products, with total production in both cases of over $212 million. Textiles and iron and steel follow in that order, thus maintaining the standing of the previous year.

Pulp and Paper Leads

Among individual industries, pulp and paper has a clear lead over the remainder, followed by tobacco and cigarettes and railway rolling stock in that order. Compared with the previous year, cotton yarn and cloth fell from fourth to sixth place and men's factory clothing from sixth to ninth, while non-ferrous metal smelting and refining has climbed from 14th to eighth place. Central electric stations and non-ferrous metal smelting are the only leading industries to make any considerable gains. Value of products of the leading industries with percentage change from 1929 are:

12 Leading Industries, Quebec

Industry:	Value of Products 1930	Value of Products 1929	% Change 1929-30
1. Pulp and paper	$109,241,510	$129,745,028	—16.0
2. Tobacco, cigars	75,056,846	74,431,769	+0.8
3. Railway rolling stock	49,427,008	70,802,392	—30.0
4. Central electric	43,201,265	40,910,068	+5.6
5. Sawmills	34,849,164	43,207,350	—20.0
6. Cotton yarn and cloth	34,321,573	59,147,128	—42.0
7. Women's factory clothing	30,055,139	30,607,476	—1.5
8. Non-ferrous smelting	26,373,967	24,996,120	+5.5
9. Men's factory clothing	25,934,858	31,700,470	—18.2
10. Slaughtering & meat packing	25,757,970	27,216,918	—5.4
11. Butter and cheese	25,469,594	29,172,614	—12.5
12. Elec. apparatus	24,860,747	27,204,759	—8.7

New Books

Foreign Exchange Tables

Accountants and business men whose affairs have been complicated in recent months by the violent fluctuations in the sterling and dollar exchanges will find of considerable value two publications of the Kingston's Translation Institute of London.

One of these is a dollar equivalent table giving at eighteen different rates of exchange, equivalents of amounts in sterling from 1-16/10th to £100. Higher amounts can be obtained, of course, without any calculation by simply shifting the decimal point.

The other is a sterling fluctuation table giving percentage depreciation of one-quarter per cent to 40 per cent together with the corresponding rates of exchange for dollars in continental currency. For the benefit of the buyers of Canadian goods in Great Britain a column is added giving the percentage of premium corresponding to each rate of sterling depreciation. The tables come in neat cardboard form, the former selling for two shillings net and the latter for one shilling net. Canadian manufacturers, exporters, and importers would find the information contained in them of very great value and interest.

Procurable from Kingston's Translation Institute, 96 Leadenhall St., E.C. 3, London.

Annals of Collective Economy

Annals of Collective Economy for January-May, 1932, is an international review in four editions (English, French, German and Spanish) edited by Edgard Milhaud, Professor of Economics at the University of Geneva. The current edition contains a paper by the Professor on "A Plan for an Immediate Action Against Unemployment and the Economic Crisis." M. Francis Delaisi, of Paris, presents a paper, entitled "Proposal of a European Economic Plan," which considers in detail and statistically the problem of raising the purchasing power of 60 million peasants—peopling a strip of land which comprises Finland, Esthonia, Latvia, Lithuania, Poland, Hungary, Yugoslavia, Rumania, Bulgaria, and Greece—without increasing their output or at least without their sending more to the markets of the West. Russia is again to the fore, with two heavily documented articles by Willi Winkler, of Berlin, on "Russia during the Third Year of the Five-Year Plan" and "Russia's Second Five-Year Plan." Then Dr. Karl Fuhs deals somewhat exhaustively with the municipal undertakings of Cologne and Prof. Maximilian Meyer with those of Nuremburg. A brief article on the Municipal Science Institute at the University of Berlin, by its founder and director, Prof. Walter Norden, and interesting reports on a variety of subjects, conclude the issue.

The Annals is Published at 5-7, rue Lévier, Geneva, Switzerland. Annual subscription, 25 Swiss francs, $5, or, £1/6 5/6 d.

Organizations in Canada

The Department of Labor at Ottawa has issued its eleventh annual report on the organization of industry, commerce and the professions in Canada for 1932.

This volume contains names of all known associations of the classes mentioned, giving some idea of the extent of organization among those identified with the industrial and commercial life of the Dominion.

The names of all the classes of associations published in the volume number 856 main bodies, and 504 branch or affiliated associations making a total of 1,360 organizations with a combined membership of 746,322.

Toronto Firm Plans Expansion

The Ault & Wiborg Co., of Canada, with headquarters in Toronto, are preparing plans for the construction of a new factory in Winnipeg.

Religion Key Factor In Quebec Market

Those Who Would be Successful Merchandisers in French-Canada Must Not Overlook Religious Side of People's Life

By DOUGLAS McPHEE
of "L'Action Sociale Limitée"

The Financial Post, in including a special French Canada supplement in its issue of May 28, is doing much to establish the fact that the French Canada market is responsive, progressive and rich.

The Post points out in this supplement that a "knowledge of character is essential in the French Canada market" and that "the manufacturers or distributor entering the French Canada market for the first time must have this background of knowledge to appreciate and overcome some of the merchandising problems he will inevitably face."

What Seller Must Know

Of what should this background of knowledge consist?

Certainly it should include a knowledge of the French-Canadian's "mentality'—a much typeworn phrase, used too glibly sometimes as a generalization, to show that the speaker is "aware of the situation" at the same time providing him temporarily with an impressive shield for his ignorance. As a matter of fact, an understanding of the French-Canadian's mentality can only come through a thorough study, knowledge and use of the language he speaks, its idioms and colloquialisms.

The Post covers the importance of the lingual situation in French Canada briefly but clearly, and outlines very definitely the peculiarities of a bilingual market. To cope with these peculiarities however, does not necessarily mean that advertising and sales managers should attend evening classes in French. It does imply, however, that merchandising experts and advertising copywriters have learned by now that literal translations of English copy into French, for French media, are, in most cases, a sheer waste of money and space.

Religion of Centuries

There is however, still a further angle to this French Canada question which The Post supplement does not treat; a phase which, in the opinion of authorities, is the most important item in that collection of facts which English-speaking commercial interests concerned with French Canada must possess, if their background of knowledge is to be complete.

This is the religious situation—the strong, religious fabric which, for over 300 years, has held Quebec, and the French-Canadians tightly together, as one unit.

The physical beauties of the Catholic Church, the picturesque symbolism of the priest and the nun, and the wayside shrine have been, it is true, romanticized for the tourist; but when the tourists have gone (leaving some of their money behind them) Catholicsm still functions, for it is a permanent integral ingredient in the daily lives of French-Canadians—not an atmospheric show for visitors.

In Montreal, this fact does not remain long unnoticed. Quebec City, the second centre of Catholicsm in the world, is also the seat of Catholicsm in Canada, and the source from which the principles and doctrines of the Catholic Church disseminate, effecting, it must be remembered, a Roman Catholic population of 2,237,736, or nearly a quarter of the Dominion's total population.

Church is Ruling Factor

But it is in the rural districts, the towns, villages, hamlets and farms of Quebec where, to quote an authority, "the priest, or the shadow of the priest, is always by the habitant's (farmer's) side" and again, where "the Catholic Church, it cannot be repeated too often, is the ruling factor in the life of the French-Canadians."

The curé, or parish priest, is sometimes a much under-estimated personality. While living modestly, he is constantly subject to many demands. In many instances he is at once priest, doctor, lawyer, harvester, notary. Not only is he a spiritual advisor, but a material counsellor as well, giving freely of the fruits of his broad experience to his parishioners on a thousand and one matters pertaining to their lives and welfare. He is the important man in every French-Canadian town and village, and he sees to it that his flock live and buy wisely and well.

This is the situation today, but should it still seem rather remote to English readers, perhaps a recent concrete incident will prove conclusively the indisputable importance, in Quebec, of Catholicsm, from the commercial angle.

A large American firm recently built a Canadian plant in a town near Montreal. The official opening of the new factory was marked in the usual manner by a ban to to which many interested people were invited. Upon a discreet word from a local distributor, however, it was intimated to the American executives up for the occasion, that no opening ceremonies of a new plant in Quebec would be complete without the presence of the parish priest. Accordingly, the first item on the schedule of the inaugural ceremony was the blessing, by the parish priest and his assistants, of the new plant, its new machinery and its employees, and a benediction for the welfare of the business and its benefit to the local community and to the French-Canadian people. To strangers present, it was obvious that this appeared an unusual and somewhat incongruous spectacle; but to those familiar with French Canada, it was considered quite the necessary and usual thing, because it signified to them that the new industry had the sanction of their church, and that the relationship between employers and employees would thus be always harmonious.

Stated in Treaty

Only one historical fact is necessary to prove conclusively the importantce of Catholicism in French Canada, and to show that it effects, undeniably, (1) the daily lives and conduct of the French Canadian people, (2) their buying habits, and (3) advertising and merchandising in the French Canada market.

In 1760 New France came permanently under British rule. The fact referred to above, is contained in the second clause in the official Terms of Capitulation which reads that "the Canadians (French) retain their religion, laws and property" under British rule. This religion was, and still is, Catholic. The state even then recognized the importance and influence of the church, and gave it the right to make many of its own laws. Where the laws of state governed in other contemporary countries, Catholic Church Laws laid down the basic codes of living for the French-Canadians of New France. This condition still prevails today, and the English manufacturer or distributor, whether he is a veteran or a novice in the French Canada market, must recognize and include this vital religious phase of the question in his background of knowledge.

But not only must he understand the religious situation, but he should apply that understanding to his merchandising and advertising and appeal to the French-Canadian's inherited logic, by striking always the keynote of sincerity and trustworthiness.

SCOTIA FISHERIES YIELD $8,000,000

Volume of 1931 Catch Drops 18 Per Cent in 1931

Product of the fisheries of Nova Scotia in 1931 had a total value of $7,986,194, compared with $10,411,281 in 1930 and $11,427,491 in 1929. These totals represent the value of the fish as marketed, whether sold for consumption fresh, or canned, cured or otherwise prepared.

The lobster fishery in 1931 was of first importance, with the cod fishery second, the marketed value of the lobsters amounting to $2,725,620 and of the cod to $1,671,201. Haddock was third in order of value, with a total of $1,325,919.

The catch of fish of all kinds for Nova Scotia in 1931 amounted to 2,117,305 cwt. with a value to the fishermen of $4,833,900, compared with a catch of 2,577,856 and a value to the fishermen of $6,842,953 in 1930.

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Litteljohn, Townsend & Co. Expect Co-operative Success

Claims Low Cost of Plant Today Offsets Lower Sales Prices—Says Farmer Forced Into Co-operatives For His Own Protection

The following letter, signed by R. M. Litteljohn, of the firm of Litteljohn, Townsend & Co., security brokers, Hamilton, Ont., is published in order that both sides to the controversy excited last week by publication of the article, "Abnormal Profits Estimated for Hamilton Co-operative," may be before the public:

Hamilton, July 22, 1932.

Editor, The Financial Post:

We have examined with interest and surprise your article appearing under the heading "Abnormal Profits Estimated for Hamilton Co-Operative Creameries" on page nine of The Financial Post issue of July 23. In glancing through same there are several points which strike us as absolutely contrary to fact and we are setting same out with the expectation that The Financial Post will be large enough to give the same publicity as was given the original article, which certainly strikes the writer as being most unfair and having the earmarks of being "inspired."

Directors Estimate Higher

The writer has been a persistent reader and advocate of The Financial Post for some years past and finds it very difficult to understand why such publicity should be given the affairs of the Hamilton Co-Operative Creameries without the simple precaution of checking facts being undertaken. Taking the main item—that of the net profit per quart on milk, which was estimated at 2c per quart. You make the remark that this profit would be not only abnormal but that the estimate is ridiculous. We might state that before being actually interested in the sale of the Co-Operative shares we discussed estimates and profits with the directors and their estimate was somewhat higher than this figure; further, that on our insistence that the estimates be reduced, opposition was encountered from members of the board and that we definitely stated that we would on no consideration show estimates of over 2c per quart, which would seem reasonable, bearing in mind the association price of $1.45 per hundred or .3625c per quart for the raw product. You further err in stating that Mr. Christensen is entering a new field. According to his statement to us, which we have every reason to believe, Mr. Christensen was in charge of a similar business for Cairns Limited, of Niagara Falls, which has since been absorbed by Borden's, and we firmly believe that the above estimate made by him was certainly made in good faith with a proper knowledge of the business. It does not strike us as absurd that the cost of processing and distributing milk properly applied, should be somewhat more than the value of the raw product which would still leave a 2c net profit per quart. The other items mentioned are subject to similar explanations and we have no apology to make, either on behalf of ourselves, or the Co-Operative to their shareholders.

Bought Plant Cheaply

Under your paragraph heading "Unfortunate Time to Start" you have apparently overlooked for some inexplicable reason the fact that plant and certain equipment may be built and purchased in the present depressed commodity markets at the lowest levels for the last thirty years and at approximate cost, also that there is more spread in the milk distributing business today than there was in the boom period of 1928—1929, further and more important, that the farmer has been forced to enter the field for his own protection with an almost sure alternative of being bankrupted. An unbiased article in our estimation might well have given some publicity to these points. You remark that more capital is needed. Might we point out that our contract with the Co-Operative called for the sale of $20,000 worth of their securities only, and that we are not the controlling factors, nor have we powers of decision in the financing of this enterprise. For your information, however, we might state that capital disbursements in full approximate $65,000 and that the plant is fully equipped. We think you will agree $10,000 is adequate working capital for a corporation of this size and in this particular industry.

We contradict quite flatly your assertion that it was necessary to bring in new producers without a radius of from eighteen to twenty miles. On the other hand there is no single instance of a shareholder in the Co-Operative purchasing his shares through this office who would not be a resident well within this area Further we have to advise you that the member producers are representative dairymen and have full knowledge of the local situation.

Delivering 2,300 Quarts

You make a point of the fact that earnings estimates were not included in Mr. Richardson's letter to this company. Mr. Richardson's letter was compiled by the writer and the earnings left out due to the fact that the board of directors as a whole was responsible for stating earnings estimates to us and we shall be quite pleased to furnish proof of this matter on request. In so far as a dairy company finding it difficult in earning even 7 per cent on a normal investment, we hesitate to see how you can generalize thus broadly. We know definitely of at least one company who paid 9 per cent during 1931, spending at the same time considerable amounts on new machinery. In case of larger companies it is no secret that purchases were effected at boom price levels and that time must elapse before same can be put on a sound financial basis. If the earnings of this corporation are estimated at high levels in your opinion, might it not be well to take cognizance of the fact that the company is operating with a very low administration overhead and that, in a great number of cases assets were obtained at from 10 to 25 per cent of normal levels. In the estimate of 4,000 quarts of milk per day which also comes in for very severe criticism from you, we have only to state that this is patently an average estimate and that, in light of the fact that the Co-Operative is already delivering 2,300 quarts per day, according to information given us, and after only one month of operation, that the figure is not beyond the realms of possibility as your article would lead one to believe.

In conclusion we might state that The Financial Post has always been considered and advised by the writer as an impartial publication in common with your contemporary, The Financial Times. We certainly do not wish to be forced to alter this opinion and have therefore, taken the pains to set out the above data, although our undertaking to the Co-Operative was completed some weeks since.

LITTELJOHN, TOWNSEND & CO.
R. M. Litteljohn.

This letter throws the blame or praise, depending on the commentator, for the estimate of milk profits for the Hamilton Co-operative on the directors, who estimated even higher profits than those given in the sheet accompanying the circulars sent to prospects. The criticism in The Financial Post based on experience of actual operators already in various fields in Ontario, as gathered from time to time in the last two years, was intended as an intimation to investors that new concerns, whether co-operative or joint stock or privately owned, cannot hope to surpass the efficient and well-organized companies already in the field. The latter's experience suggests that such profits as those mentioned in selling this stock cannot be made; it would be very interesting to get a statement of costs for the company in buying, transporting, pasteurizing, selling and delivering milk.

With 2,300 quarts sold daily there must be some idea of whether or not former profit estimates were too large or not. It may be true that a company such as this, selling its milk before it needs to pay the farmers, may get along on small working capital but still there are overhead costs in depreciation of plant and inventory, losses from spoiling and bad debts, maintenance, labor, heavy selling costs facing a company trying to establish itself. If these are left out because their working may not be clear at first, such estimates as Mr. Litteljohn refers to, may appear to have some validity, but these costs have to be provided for some time, and the longer action is deferred the greater the ultimate strain. The Financial Post also commented on estimate of butter and egg profits as too high apparently.

If the directors are right in their estimate, the company may succeed; but if experience gleaned from existing companies is correct, there will be a hard row to hoe. The matter is only referred to in The Financial Post at all because there is a very noticeable increase in number of promotions of co-operative companies especially in Ontario and most of them involve asking for funds from the farmer who is to be helped. The farmer has, of course the same right to form associations of all kinds that every other citizen has; but with the multitude of projects now being pressed on him when he needs all his money, he will find it best in the long run to watch his step.

Can. West. Natural Gas

We note that Canadian Natural Gas, Light, Heat & Power Co. earned $15.13 a share on preference stock and paid $6.50 in 1931. What we would like to know is what are they doing with the difference? I very much fear that their profits are being taken out by their subsidiaries, in which case the situation is not satisfactory.

You ask what Canadian Western Natural Gas, Light, Heat and Power Co. has done with its surplus earnings over and above preferred dividends in 1931. In that year, the company had net earnings of $1,033,668 and after deduction of fixed charges and reserves had net profits of $529,492 available for dividends. Preference dividends at the rate of $6.50 per share totalled $206,548 and after deduction of this payment from net profit, there remained $4.04 per share of common stock. During 1931, the company paid out $6 on its common stock, drew on surplus account to the extent of $124,185 and carried forward a surplus of $254,590 into the current year. Over 94 per cent of the common stock is owned by Dominion Gas and Electric Co., which is entirely owned in turn by American Commonwealth Power Corp.

You may have noticed that with the common dividend paid on July 15, the annual rate was reduced to $4 per year. This put the common dividend practically on a par with the common share earnings in 1931.

Beauharnois

I wish you would publish in an early issue a plain statement of the present position of Beauharnois Power Corp., and tell us frankly what the prospects are for our ever getting principal and interests from these bonds. Is the public to be the goat as usual? Are the banks to take everything for loans advanced? For myself, I invested my little savings with a feeling of absolute security. I supposed the Royal Trust Co. had fully investigated the project and since the interest was payable at any branch of the Bank of Montreal, I believed that the bonds and coupons were as safe as bank notes.

Many columns of The Financial Post have been used to set forth the position of the Beauharnois Power Corp. The readers have been kept informed of the situation up to date and, as a subscriber, you will know that the position at the moment is this:

(1) The Government has agreed to take care of the cost of constructing the canal up to an amount of $16,000,000, of which about one-half has already been expended;

(2) The banks have advanced over $14,000,000, part secured by first mortgage bonds of the Beauharnois Light, Heat and Power Co. and in part by guarantees of the Federal Government,—the banks do not wish to advance any further money until they can see definite prospects of getting their loans reduced or additional guarantees from the Dominion;

(3) Some $35,000,000 is still needed to complete the project;

(4) The plant will be brought into operation in time to make deliveries of power under contract on October 1, 1932;

(5) A protective committee of the bondholders has been formed and is now working on a plan which will enable the company to carry out financing.

The latter organization has been making overtures to the banks and the Federal Government, but to date its plan has not been approved.

As you will understand, it is out of the question at the moment for us to comment on the prospects for the return of principal and interest to the bondholders. We will be in a better position to do this when the committee has been able to make arrangements for the balance of the financing.

May we point out that no blame attaches to the Royal Trust Co. The Royal Trust simply acts as the trustee for the bondholders, and it is in no way responsible for the worthiness of the enterprise. Nor can any blame attach to the Bank of Montreal, as it simply puts its banking facilities at the service of the corporation as it would do in the case of any other corporation.

Canadian Bondholders

I would appreciate your advice concerning The Corporation of Canadian Bondholders, from whom I have received a prospectus recently giving address as 1520, Bank of Hamilton Bldg., Toronto.

Are the men sponsoring this corporation thoroughly reliable and capable of acting in the best interests of the holders of bonds in case of difficulties as set out in their Prospectus? Are these men financially responsible, possibly large bondholders in their own rights, or at least experienced in handling matters of this kind?

I believe that there is a splendid opportunity and considerable need for an organization of this kind under existing conditions, and that, in line with your usual good service to investors, it would pay you well to investigate the Corporation thoroughly and have a write-up on it in some early issue of your paper.

As far as we can ascertain, the present directors of the Corporation of Canadian Bondholders are reliable and financially responsible. As substantial investors of their own funds and as representatives of English investors, these men are familiar with investment problems and, at least, three of the five have had extensive experience along industrial lines. Mr. Bennett is head of the Toronto branch of George A. Touche & Co., a well-known firm of English chartered accountants, and is also managing director of Dominion Scottish Investments and Economic Investment Trust.

The Corporation of Canadian Bondholders has not as yet attained a position where it can take definite action, since it was formed quite recently. The power that the corporation can exert in favor of bondholders in the case of company reorganization, therefore, remains to be seen and it is not possible at this time to pass any judgment on the effectiveness of the plan.

In the July 2 issue of The Financial Post was an outline of what the corporation expects to accomplish and another article which described the operations of the Council of Foreign Bondholders, which has been in existence in England since 1872.

Can. Northern Power

I have a $500 Canada Northern Power Corp. 5 per cent bond, due 1953 and also a $1,000 City of Montreal 6 per cent bond due 1940. Is the investment considered safe?

Bonds of the City of Montreal are considered to be among the best of Canadian municipal securities and command a ready market.

The Canada Northern Power 5's due 1953 are currently selling at around 70 and while this may seem low it is not out of line with prices of other high grade utility bonds with a similar coupon rate. In 1931, the company earned bond interest 2.53 times before depreciation and 1.86 times after depreciation. Net earnings during 1932 have averaged slightly under 4 per cent in excess of 1932 earnings and there is no reason to believe that the present rate of earnings cannot be maintained.

Dominion Building

A friend of mine holds $1,000 Adelaide-Sheppard Co., 7 per cent Leasehold bonds, due 1947, and has a proposal to exchange these for $1,000 Dominion Building, (Albert-Bay Co. Ltd.) 6½ per cent First Mortgage Leasehold bond, due August, 1942. Price in each case 66 and accrued interest.

I would appreciate any information available together with remarks as to the merits or otherwise of such an exchange. Is the land on which these buildings stand freehold or leasehold in each case?

Both the Concourse Building, owned by Adelaide-Sheppard Co., and the Dominion Building, owned by Albert-Bay Co., are on leasehold property. The Concourse Building is 16 stories in height, while the Dominion Building has but 12 stories, but $800,000 of first mortgage bonds were issued on the Concourse against $400,000 on the Dominion Building. Both buildings have been affected by current rental conditions in Toronto office buildings, but should be in a reasonably good position to take advantage of any improvement in the rental situation.

Yolles and Rotenburg are managers for the Dominion Building as well as several other large Toronto office buildings and have had an excellent record with each of the properties under their management. This is a factor of considerable importance at a time such as this. The Adelaide-Sheppard Co. was at one time in arrears of interest on its first mortgage bonds but this situation was later corrected. The Adelaide-Sheppard Co. bonds are payable in Canadian funds only, whereas those of Albert-Bay Co. are payable in Canada and New York and this feature of the Albert-Bay bonds should be a consideration. If earnings of the building are maintained well above bond interest requirements and New York funds were at a premium, the bondholders could demand payment in New York funds and take advantage of this premium. If, however, earnings of the company were barely sufficient to meet interest requirements in Canadian funds, experience would indicate the company might refuse to make payment in New York funds even if demanded by the bondholders.

Power Corp. Debentures

I have been offered $1,500 4½ per cent debentures of Power Corp. of Canada in exchange for 80 preferred shares of Federated Capital Corp. I have also been offered one share of Atlas Utilities preferred stock for six shares of Federated Capital Corp. preferred. Which is best?

On July 12, the date at which you wrote your letter, there was a bid of 42 for the 4½ per cent, Series "B" convertible debentures due 1959 of Power Corp. of Canada. On this basis, your preferred shares of Federated Capital Corp. are being valued at around $8. The Series "B" debentures of which there is about $9,650,000 outstanding rank equally with the 5 per cent, Series "A" debentures of which there are about $2,580,000 outstanding. For the year ended June 30, 1931, Power Corporation of Canada earned interest charges 2.97 times compared with 3.31 times the previous year. While the annual statement for the year just ended is not due until early September, the company experienced a drop in revenue during the year ended June 30, 1932, and the value of securities of subsidiaries which it holds also declined. As a result the dividend on the common stock has been omitted for the quarter ended July 31, 1932, and shareholders agreed to transfer part of capital surplus into investment reserve. The company controls and is interested in the large number of important power companies in Ontario and Western Canada.

Dominion Woollens

As a holder of Dominion Woollens & Worsted Ltd., 6 per cent bonds due June 1, 1948; General Brock Hotel 6 per cent bonds due October 1, 1948 and York-Adelaide 7 per cent bonds, due December 1, 1945, will you please pass on to me any information you have regarding the position of these bonds?

Dominion Woollens & Worsted Limited failed to earn bond interest for the years ended June 30, 1930 and 1931, and conditions in the fiscal year just ended were far from satisfactory. Competition has been keen and prices have been low, but the company has reduced operation expenses and has changed some of its lines. Reductions in inventory valuations have been largely responsible for losses of the past two years. The annual statement of the company is usually made public in September or October. There is very little market for the above bonds and the latest quotation available is 28 asked and no bid.

There is very little market for the bonds of General Brock Hotel Co. and from conditions generally prevailing in the hotel business, it would not appear that the company could show an improvement in earnings in the current year. It has been stated that a substantial block of the common stock has been sold at $12 per share sufficient to substantially improve the liquid position of the company. The business to be had during the next two months will have an important bearing upon the earnings of the company.

We have no figures relating to York-Adelaide Realty Co. since the company does not issue a financial statement, but parking garages have not been a financial success in Toronto and we do not believe that the York Garage is any exception. The extension of University Avenue in Toronto within the past year should eventually result in considerable building and higher real estate values. The York Garage appears to be located favorably to take advantage of this situation which, however, may take several years to develop. In the meantime, there are numerous vacant lots which are being used for parking space at low rates.

First All-Canadian

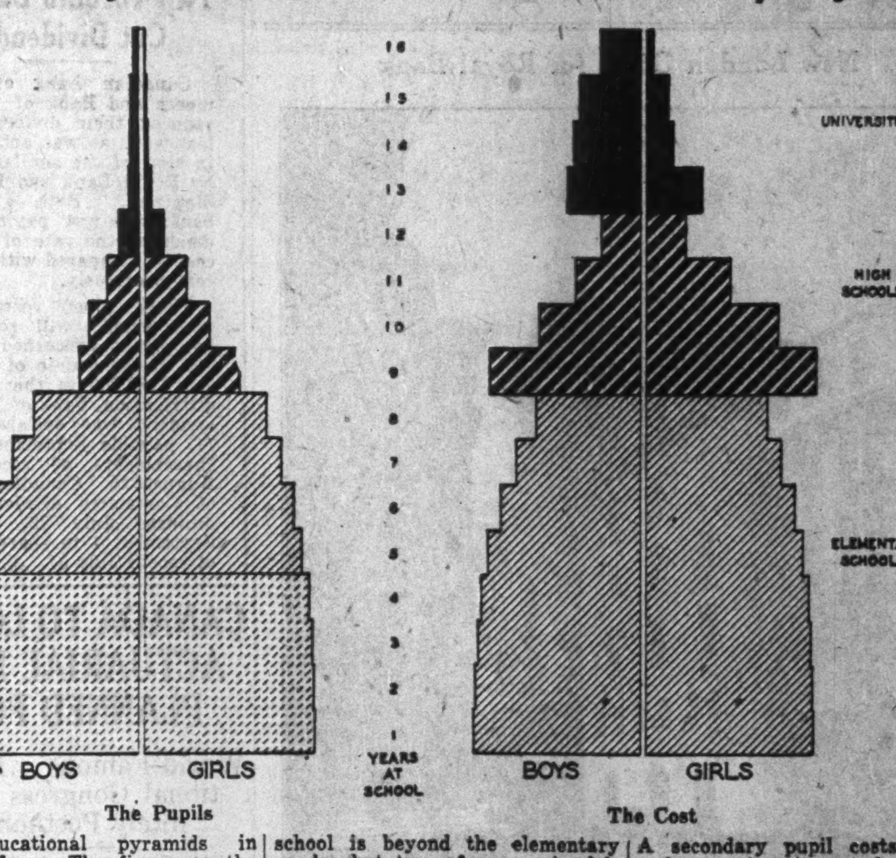
Please outline to me the advantages and disadvantages of buying First All-Canadian Trustee Shares.

One of the chief objections to First All-Canadian Trustee Shares is minimized by the low level of security prices prevailing, but should security prices on any 12 of the 25 stocks contained in the portfolio of the trust, attain the fixed selling price shown in the prospectus the trust agreement would terminate and all property held by the trustee would become distributable. On this basis, the ordinary shareholders would receive 30 cents per share plus 80 per cent of any further distribution while the deferred shareholders would receive 20 per cent. Since this is practically 20 per cent of the break-up value of each unit at that time, it would very probably far exceed the $300 placed in the reserve fund for the benefit of ordinary shares of each unit.

This fixed trust was formed early in 1931, at a time when there was considerable criticism of the policy of some fixed trusts in deducting a certain amount from the price received for their shares and placing it in a reserve in order that semi-annual distributions might be maintained. Under this scheme, when the distribution fell below a certain level, due to lack of earnings, the amount needed to maintain semi-annual disbursements at a prearranged level could be drawn from this reserve and this really represented payment of dividends from capital. In First All-Canadian Trustee Shares, this reserve fund is supplied by the deferred shareholders who we presume to be very closely allied to the sponsoring investment houses and in return for putting up this $300 per unit the deferred shares would receive a 20 per cent cut in any distributions of over 30 cents per ordinary share.

There have been three semi-annual distributions of 30 cents per share each on the ordinary shares and the reserve fund has been drawn upon to a small extent in each case so that there now remains 52.26 cents out of the original reserve of 60 cents per share. This record is better than that of most of the fixed trusts, having a reserve fund since the majority of companies represented in the portfolio of this trust have continued to pay dividends. The investment in Price Bros. & Co. is really the only one to be in very bad shape.

Why Cost of Education Mounts Rapidly



The Pupils The Cost

Our educational pyramids in graphic form. The figure on the left shows the years of education that Canadian children today receive. Only one in every six at school is beyond the elementary grades but two of every six dollars spent for education are spent for the advanced pupils, as is shown in the figure on the right. A secondary pupil costs double, and a university student eight times what an elementary pupil costs—hence the top-heaviness of the pyramid of dollars.

Secondary Education Runs up School Costs

But to Reduce Number of Students in High School 'Twill be Necessary to Solve Problem of Finding Them Jobs

By J. E. ROBBINS

With a population of ten millions Canada spends as much on its schools as the United States did with sixty millions. That, of course, was 40 years ago when costs in Canada were lower too. The education of the boy and girl of today costs four or five times as much as that of their father and mother. They remain at school several years longer and are more elaborately provided for while there.

It is a favorite type of argument with some that we as Canadians spend as much on confectionery, soft drinks and tobacco, for instance, as we do on education, and because the latter is more essential that it should not be required to suffer reductions. But they do not explain how, or whether, the average spender could be induced to forego his drinks, smokes, candy, etc., and to contribute the savings to provincial or municipal treasuries. Such a diversion must occur before the one type of expenditure assumes any very significant relation to the other. Nine out of every ten dollars for the support of education must come from the public purse, the disbursements of which are limited by its income, which in turn is dependent on very imperfect systems of taxation.

Problem is Critical One

When we consider that the expenditure for education is practically equal to all of the revenue that our nine provincial governments raise, we get a better conception of its economic significance The problem of costs has become a critical one and economies are being found imperative in communities from coast to coast. Provincial legislatures are cutting grants, British Columbia as much as one-quarter, and Saskatchewan one-third. As a guide to the direction that economies should take it ought to be of help to consider our present status.

The accompanying chart (based on all Canadian schools except the French language schools of Quebec which are differently organized) shows that practically no children drop out of school, except by death, before the fourth grade after which they can at least scarcely be claimed illiterate; that two-thirds of all children now complete the eight-year elementary education; that fully half enter the secondary school grades; that one-fifth get to the end of secondary grades; and that one in twenty continues in a university or elsewhere. The proportions are considerably higher than this average in cities, lower in rural areas. Girls have an advantage over boys from the outset to the end of secondary grades which gives the average girl half a year's more education than the average boy; but boys become more numerous in universities, and at graduation outnumber girls nearly three to one. It is difficult to compare this record with other countries (except the United States, to which it is very similar) but it seems probable that the record of years' schooling per child is not appreciably exceeded by any country. The proportion proceeding to secondary schools and universities is certainly very much in excess of almost any country except the United States.

To Secondary Costs High

When economies are considered, it is natural to look first toward these more advanced institutions. The greater possibilities that they offer for economy is apparent in the second pyramid of the diagram, in which the elementary section is left the same size (as in the first pyramid) to represent elementary school costs and the two upper sections built proportionately. It is impossible to allocate with precision the cost of the section among their individual years. The diagram strikes an average for each. But this cannot be seriously misleading as the total size of each of the three sections is known within a reasonable margin of error. The average secondary grade student in a year costs double, and the university student eight times, what the elementary student costs. The result is that the superstructure of dollars is practically half as great as the elementary section, where in the number of students it is scarcely one-fifth. This includes only the current cost from year to year. In addition, capital commitments in the last ten or a dozen years have been heavily weighted in favor of secondary schools, and their current costs in the years ahead will consequently assume a higher ratio to the elementary figure.

Teachers' salaries on the whole account for about half our school bill. An average annual salary in 1930 of $800 for teachers in the Maritimes, and even $1,200 from Ontario westward, seems little enough though reductions have been general since. The pay of secondary grade teachers alone, though averaging higher, can scarcely be considered excessive. The other half goes mainly to provision and maintenance of buildings and equipment. It is an easy matter in 1932 to single out some community that seems by our sharply "adjusted" standard of values to have spent rather freely on a new secondary school in 1928 or 1929. But it is equally easy, with a national outlook, to point to another that is trying to crowd 100 pupils in an older building where only a fraction of them should go, and even to a city as big as Winnipeg that has found it necessary to lop off the top year of high school in order to provide for the overwhelming numbers in the earlier high school grades. That there may have been certain extravagances in construction here and there is probable, but at most the cost of these must have been small in comparison with the fact that new schools or additions had to be built and equipped, and additional teachers engaged.

Ever Widening Curricula

In order to give our children greater home advantages we have found it necessary to restrict their numbers more than those of our parents' families. But with the country's university and secondary school "family" we are attempting the extremely difficult task of multiplying its numbers several times over, and at the same time, of providing for it in a more commodious manner. The number of young people in our higher schools has doubled in the last dozen years, and because of the greater range of ability and aptitudes among the larger number, continuous additions have been made to the curriculum and equipment in an effort to meet their requirements.

When it is necessary to consider demands of economy, simplifying the courses and the type of accommodation may be a possibility, but it is to be doubted whether these can be very successful without first limiting the number of students. That there are many older children in school lacking either the will or ability to successfully pursue advanced studies is a certainty. They occupy a disproportionate share of the teachers' time, and exercise an unhealthy mental influence on the capable children. Protest at these is most active in the Prairie Provinces where it is being forcibly advocated by educationists that the parents of pupils who will not apply themselves to school work after being given a fair opportunity, should be required to bear the full cost of supporting such children in school. There is no doubt that such a step would tend to reduce the pressure of numbers and add to the efficiency of schools.

But there is hesitancy about closing the door of the school 'teen age boy while there is the present shortage of other employment for him. It is felt that if he must be idle it is better that he should be so under the eye of a teacher than on the street, and the school becomes so far transformed into a refuge for the unemployed. Thus the problem of higher school costs is in no small way the result of enforced idleness of the older pupils, which in turn has been caused by handicaps they have met in the employment field in the last ten years. Remove some of these and the higher school costs problem will be so far evolved; any satisfactory solution of the school problem must be preceded by the removal of its cause.

EMPIRE NATIONS SHOULD PROMOTE OWN DEVELOPMENT

F. B. I. States This Should be Remembered at Ottawa

That any agreements reached at Ottawa between sections of the British Empire should be subject to periodic revision and should bear in mind the principle that each nation of the Empire should recognize the unfettered freedom of every other Empire nation to promote its own domestic development, is the opinion of the Federation of British Industries and the General Council of the Trades Union Congress set forth in a statement submitted to the British Government and published in connection with the Imperial Conference.

The statement continues: "At the same time we are convinced that a general world revival alone can create the conditions in which the Commonwealth countries as well as others may again become fully prosperous."

Prior to the meeting of the Imperial Conference in 1930, the F. B. I. and the Trades Union Congress submitted a joint statement to the Government, the main purpose of which was to urge the holding of a trade conference and the appointment of permanent economic machinery for the purpose of continuous study of economic problems concerning the Commonwealth. In the present statement these views are reiterated.

Ottawa Should Lead

The joint statement, while recognizing that there are many world problems, such as war debts and reparations, which the conference is unable to discuss, looks to the conference to give a lead in other vitally important matters concerning the return to better conditions.

First of all, the statement points out, there are the ever increasing restrictions on international trade, the net result of which is to contribute to the progressive decline in international commerce. In this regard the brief states: "Looking at the world as a whole we are convinced that a greater measure of freedom must be restored if a complete breakdown of world trade and production is to be avoided." As a first step in the right direction the F. B. I. suggests that everything possible should be done to facilitate the easy exchange of goods between different nations of the Commonwealth.

In the second place, the statement presses for action designed to bring about a recovery in the level of wholesale prices, claiming that until this is done the manufacturer, the producer of primary products and the worker must be subjected to increasing difficulties.

Favors Sterling Group

The establishment of a sterling group appeals strongly to the F. B. I. and the Trades Union Congress, not only among Empire countries but with wider scope so that other nations which desire to link themselves to sterling and participate in a group in which price stability and freedom of exchange would operate.

"Finally," the statement concludes, "we should like to see steps taken at Ottawa to encourage the wise planning of production throughout the Commonwealth. We believe that the unco-ordinated development of a great variety of industries in all parts of the Commonwealth has already led to the establishment of certain enterprises on an uneconomic basis, and we feel that in the long run this must be detrimental to the interests of all concerned."

Ditchburn Boats Assets to Be Sold

Sealed tenders are invited for the purchase of assets of Ditchburn Boats Ltd., up to July 29, by G. T. Clarkson, acting as trustee. On May 26, the company went into voluntary liquidation and a receiving order was granted. At a meeting of creditors held on June 20, G. T. Clarkson was appointed trustee and claims of creditors against the company totalled $117,225 while assets were nominally valued at $183,000. Preferred claims totalled $29,917, ordinary and unsettled claims $50,089 and secured claims $37,219.

The company was publicly financed in May 1929, with an outstanding capital of $104,800, 7 per cent preference shares and 39,987 shares no par value common stock. The predecessor company had been incorporated since 1907 when it took over an establishment started in 1871. The company designed and constructed various types of motor boats, ranging from small craft to ocean going cruisers. An order has been obtained by the trustee to permit completion of certain boats under construction.

PRAGUE
International Sample
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Current Events in Banking World

NEW ROYAL BANK IN LONDON, ENG., IS FINE BUILDING

Maintains Tone of Famous Structures Which Surround It

Very appropriately, the Royal Bank of Canada, first Canadian bank to erect premises in London, England, took possession of its new quarters at No. 6, Lothbury, on Dominion Day.

Situated opposite the Bank of England and adjoining St. Margaret's Church, designed by Sir Christopher Wren, the new bank offices maintain the severe dignity of the surroundings. No part of the building rises to a greater height than the masonry of the adjoining church tower. The surface treatment is fine and delicate, in the manner of the eighteenth century, the whole face being executed in Portland sandstone. When the newness of the stone is tempered by the weather, and this will happen quickly in London, the building will blend naturally with its surroundings.

A combination of English and Canadian architectural handling, however, can be seen in the interior of the building. The main banking room on the ground floor is laid out in the most approved Canadian style, reminiscent of the bank's offices in Canada, and the lower ground floor and first floor are also utilized for banking departments. Expansion is provided for by three upper floors, most of which will be let for the present as independent offices.

In the current issue of the Royal Bank Magazine there appears an article from the pen of one of the London staff, in which the moving is described and from which we cull the following:

"We are on top of the world. We have moved. Not just an ordinary sort of move but one of those long waited and strived for joyous affairs.

"For two years from across the road we have watched and seen our new home evolve. Of the heartrending delays over foundations that touched not only long forgotten Roman ruins, but long lost rivers, and party walls that threatened to withdraw their support from their rightful place, we will draw a veil.

"Twenty-two years ago a branch of the Royal Bank of Canada was launched upon an expectant London. We staffed four. Of these four only one remains with us today, James Mackie, our joint manager. A close second is our present ever-harassed chief of staff, G. K. Morley, who arrived two months later.

"Today we are a family of over a hundred. In the same building, floor and space that housed the original four we have grown and multiplied. After years of overcrowding and make-do we enter our new home. Hence the rejoicing and this 'top of the world' complex.

"No longer shall we be cheek by jowl with elbow touching elbow, back fitting into back, at long desks in serried ranks. No longer will three people have to move in order that one may get up. No longer will legs, ledgers and letters embrace in caressing confusion. No longer will department overlap department. Above all, no longer will the serenity of the Office be disturbed by the untempered shoutings and strange jargon that for so long has been inflicted upon us by those peculiar people who imagine themselves the salt of the earth—our exchange department. (At long last they have come to their just reward and are now safely housed in a cage in the basement.)

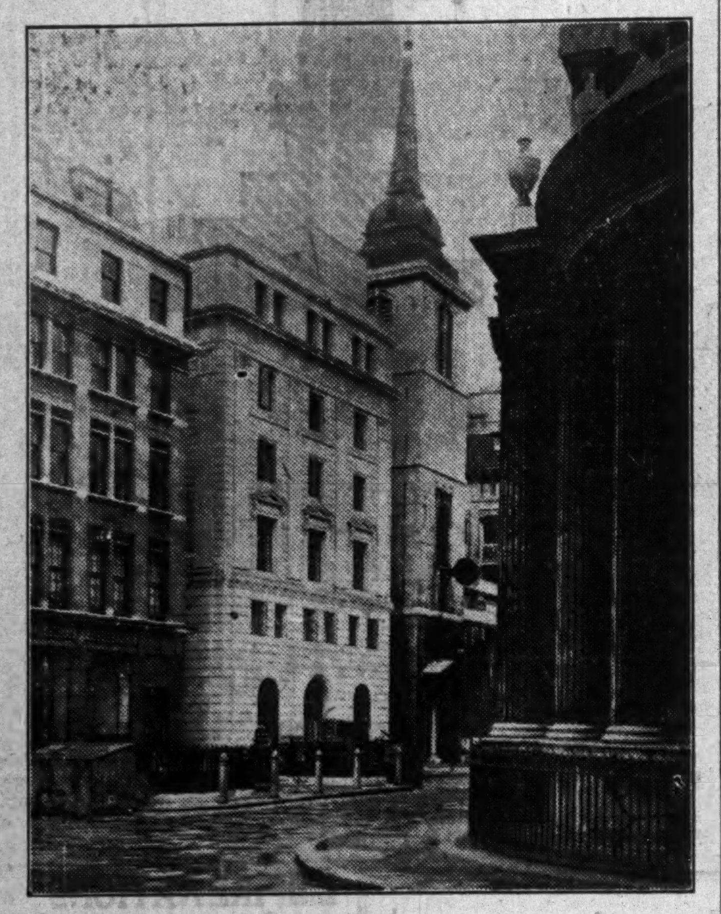
Occupies Four Floors

"Today we have spread ourselves out on to four floors. Soothing atmosphere. Perfect appointments. Room. Space. A strange sense of freedom and stimulation holds us. There is hope in the air. Depression and pessimism seem far away. A feeling of renewed energy and an urge to justify our new and comfortable surroundings.

"We have illustrious neighbors. For our spiritual needs a church by Wren on our left. Then the head office of the Westminster Bank, with the Stock Exchange a few steps further on. Opposite, and casting her shadow over us, is the Old Lady herself—the Bank of England.

"With such a setting we face the future."

New London Office for Royal Bank



Located in famous Lothbury in the heart of London's financial district, The Royal Bank of Canada now has its own headquarters in England.

Branch Closings Bring Total Down to 4,023

Closing of 20 bank branches by Canadian chartered banks in June brings the grand total of branches in Canada and abroad down to 4,023 and total of branches in Canada to 3,854, according to data published in the Bank Directory of Canada for June. Total number of branches in Canada is now back to 1928 levels, but it is still considerably above the low point of the last decade reached in 1926 and 1927.

One branch was opened by the Banque Provinciale. It is a sub-branch at St. Maurice de Bois Filion, Quebec.

Of the 20 branches closed, six are sub-branches. The total is well distributed across Canada with three foreign branches, two in Mexico and one in Cuba, being closed. Ontario and Quebec lead with four each while British Columbia and Alberta have three. Two in Saskatchewan complete the list.

Royal Bank leads with eight closing, Commerce next with five, Bank of Montreal has four, Banque Canadienne Nationale has two and Bank of Toronto one.

Sues Bank For $75,000 For False Prosecution

An action in which $75,000 is claimed against the Banque Provinciale du Canada, and in which an employee of the bank and another man are mentioned as defendants, was filed on July 5 in the Hull, Que. court by J. L. St. Louis.

The action arises out of the arrest of St. Louis for the armed robbery of the Champlain Street, Hull, branch of the bank a little over a year ago. The day after the robbery St. Louis presented himself at the police station, saying: "I thought you might try to hang it on me, so I came here to tell you I didn't do it."

St. Louis was held and three witnesses identified him as the robber. Later, however, another man confessed to the crime and was duly dealt with.

St. Louis now claims $75,000 for false imprisonment and malicious prosecution.

Bank Chat

Reciprocity

Dr. Julius Klein, assistant secretary of the Department of Commerce in the United States, in the course of a recent radio address told the story of a man who had a little fruit stand in front of a great New York bank. When someone approached him one day with a request for a loan of two or three dollars, our push-cart friend shrugged his shoulders apologetically and said he was sorry, "I have an agreement with the bank," he explained, "I don't lend no money and the bank don't sell no fruit."

HORACE A. AYLWIN, formerly western superintendent of the Bank of Hamilton, with offices in Winnipeg, and later supervisor of the bank in Hamilton, died on July 12 after a long illness.

JOHN GALT, formerly of Collingwood, Ont., has been appointed manager of the St. Catharines branch of the Bank of Montreal.

Canadian Bank of Commerce announces the following staff changes:

E. S. BEERWORTH has been appointed manager at Ayer's Cliff, Que.

A. BALL, formerly manager at Youngstown, Alta., has been appointed manager at Hardisty, Alta.

A. H. MARCON, formerly in charge at Wiseton, Sask., has been appointed manager at Moosomin, Sask.

W. G. MOORHEAD, formerly manager at Hafford, Sask., has been appointed manager at Wiseton, Sask.

H. C. MUNN, formerly manager for the Bank of Montreal at Red Deer has taken up his new duties as manager for the bank at Portage La Prairie. He succeeds J. H. Chaseley who has been appointed manager at Medicine Hat.

SEE CANADA'S BANKS AS MODEL FOR U.S.

U. S. Publications Comment Favorably on Freedom From Failures

Editorial approval of Canada's banking system in such a pro-American publication as Saturday Evening Post, Philadelphia, is significant. "In wealth and population we far outshine this northern neighbor," says the Saturday Evening Post, "but in the safety superiority of its banking structure over ours the contrast is startling."

Saturday Evening Post surveys the features which distinguish between the two systems, making safety for one and the opposite for the other and concludes the editorial by scoring a direct hit on the supporters of the unit banking system, as follows: "The attempt so often made to pooh-pooh, to brush aside the superior safety of Canadian banking, is useless . . . . Our legislators, state and national, would do well to study the Canadian system and, so far as possible, incorporate into our laws such features as make for safety."

Many other important statements of approval of Canada's system have come from across the border during recent months and while many of these were made by local politicians and others whose opinions do not carry much weight, the article appearing in the June issue of Commerce and Finance, New York, cannot be placed in this class.

Under the caption: "Where Banks Do Not Fail—Canada's Banking Structure Has Shown Inherent Strength in Face of World Wide Depression," this leading article by Horace F. Pomeroy attempts to discover the secret of the success of Canadian banking and its stability during the present depression. Because of the stability of the banks during present unsettled conditions, Mr. Pomeroy believes that the Dominion will be in the van of the next forward surge of business.

Australian Bank Reserve Now Gold or Silver

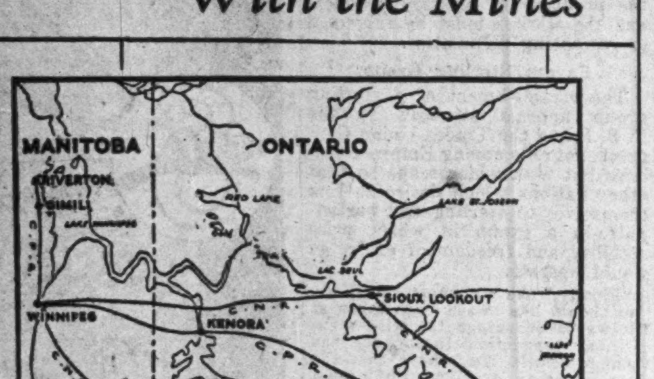
The Australian Commonwealth Bank Act (1911-1931) has been amended to enable the Commonwealth Bank board to hold the reserve against the note issue either in gold or sterling, or partly in both.

Prior to June, 1931, the gold reserve required to be held was 25 per cent of the note issue, but an act of 1931 reduced this ratio to 15 per cent, in order to allow the bank to ship £5,000,000 of gold to London for the repayment of treasury bills which could not be renewed. It was provided, however, that the reserve ratio should be increased to 18 per cent on July 1, 1933; to 21.5 per cent on July 1, 1934; and to 25 per cent on July 1, 1935. The gold reserve on April 25, 1932, was £10,509,000, equivalent to about 20 per cent of the note issue.

New Maritime Coal Company

Associated Docks has been granted a Dominion charter and will establish a coal distribution plant on the Saint John harbor front with a frontage of 1,700 feet. Capitalization is $90,000. It will handle coal imported by water and distributed by rail.

A Useful Contact With the Mines



Banking relations with the mining area are greatly facilitated by the complete chain of branches established by this bank, at important centres in the mining country.

415R

IMPERIAL BANK OF CANADA
HEAD OFFICE TORONTO
Capital and Reserve $15,000,000

FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA

Two Toronto Banks Cut Dividend Rate

Canadian Bank of Commerce and Bank of Toronto reduced their dividend rate last week as was anticipated in view of the similar action by Royal Bank and Bank of Montreal. Both Toronto banks are now paying dividends at the rate of 10 per cent as compared with 12 per cent previously.

These most recent announcements will save the two banks concerned, $720,000 in the course of a year and $180,000 in the current distribution. Bank of Toronto dividend was declared July 21, payable September 1 to shareholders of record on August 15. Canadian Bank of Commerce dividend was declared July 22, payable September 1 to shareholders of record July 31.

CANADA TO LOSE ACTUARIAL MEET PLANNED FOR '33

World-Famous International Congress Definitely Postponed

The International Congress of Actuaries, slated to hold its tenth annual meeting in Canada in 1933, has been definitely postponed, The Financial Post understands.

Postponement was suggested by Canada a short time ago, according to J. G. Parker, actuary of the Imperial Life Assurance Co. and secretary of the permanent Congress committee for Canada and definite approval of the suggestion has been made by the Congress. Reasons given for deferrment are the generally upset and depressed economic conditions throughout the world which it is thought would have mitigated against a good attendance here next year.

Next Meet Undetermined

Just where the next conference will be held and in what country, is still undecided. The date will probably be moved forward a year to 1934 and Italy is mentioned as a possible locale. Italy was a close contender with Canada for the honor of holding the conference when the matter was discussed and settled in Stockholm in 1930. Canada may even yet be the choice, but with the definite postponement of the 1933 plan for Canada the air is cleared for a definite decision at some future date.

Actuarial leaders in Canada and the continent are naturally disappointed that this signal honor gained for Canada two years ago should have failed to materialize. Previous conferences, of which three have been held since the Great War, have set an exceedingly high standard of organization and discussion. The meetings are held every three years and the 1933 conference would have been the tenth to have been held since the meetings were first instituted toward the end of the nineteenth century.

Only Three in English Countries

Only three have been held in English-speaking countries. The first was in England in 1898; then one in New York in 1903. Subsequently after a lapse of 15 years due to the intervention of the Great War, another congress was held in England in 1927.

J. G. Parker, actuary of the Imperial Life Assurance Co. has been largely responsible for the effort to have the meeting held in this country.

At the last meeting in Sweden, only one Canadian, G. Wilson Geddes, then actuary of the Ontario Equitable Life & Accident Insurance Co. and now general manager of the Northern Life of London was honored by presenting a paper before this august body.

AGENDA ANNOUNCED BY SUPERINTENDENT

Jurisdiction Will be Discussed by Provincial Officials at Winnipeg

Insurance superintendents of the Provinces of Canada will hold their 15th annual conference at Winnipeg on Sept. 6, 7 and 8.

In a statement announcing the conference and its agenda, R. Leighton Foster, Ontario superintendent and secretary of the association, states it is anticipated that every province will be represented at the conference for the first time. Many important matters are on the agenda including "desirable amendments to provincial insurance statutes arising out of the enactment of new dominion insurance acts."

In addition to the above item which will be introduced by the special committee from Ontario and Alberta, reports from regular standing committees on valuation of securities, fire insurance legislation and insurance blanks, will be heard. Special committee reports on the following items will also be presented:

Automobile Insurance Legislation and Policy Forms.

Credit and Free Insurance.

Uniform Life Insurance Agents licensing bill.

Proposed Amendments to the Uniform Life Insurance Act.

Statutory Conditions of Life Contracts and Standard Provisions for Disability Benefits.

Uniform Definition of Classes of Insurance.

Dominion Life Co. Resumes Dividends

Dominion Life Assurance Co. of Waterloo has resumed payment of dividends on its participating policies, The Financial Post understands.

The new scale became effective July 1 and is at a slightly lower basis than the scale formerly in force prior to July, 1931.

It will be remembered that on July 1, 1931, Dominion Life announced suspension of dividends both to policyholders and shareholders in order to conserve the company's resources. The suspension was for a period of a year and regular dividends have now been resumed.

Insurance for Buyer and Seller

FORMAL PROTEST TO BE LODGED AGAINST LLOYDS

Official Bodies Will Send Letter to Quebec Province

Formal protest by leading Canadian fire and casualty insurance associations against the action of the Quebec government in granting a license to non-marine underwriters at Lloyds, will be filed shortly, The Financial Post understands.

Protests will be forwarded, probably by means of a letter to the Quebec government, pointing to alleged discrimination in permitting business to be written by this company in the province on terms dissimilar to those under which joint stock and other regularly-licensed insurers operate.

These protests will go forward from the Canadian Fire Underwriters' Association, official body of the stock-tariff companies in Eastern and Central Canada; from the All-Canada Insurance Federation of Montreal, a body which embraces all fire insurance interests whether tariff or non-tariff and from the Canadian Automobile Underwriters' Association and the Canadian Casualty Underwriters' Association, representative of automobile and casualty company interests.

Brokers and agency associations in Quebec will also protest, it is understood.

Ontario's Stand

Rumors were current this week that Ontario had definitely refused to license Lloyds. This is denied by a responsible official of the province. As yet, The Financial Post understands, underwriters at Lloyds have made no application to provincial officials at Toronto for a license.

Whether they will in the future remains to be seen although it is pointed out that until Lloyds' license is challenged by the federal government, their authority from Quebec enables them to write in any province in Canada without payment of the 10 per cent tax on foreign mutuals. There would therefore seem to be no reason for their obtaining a license at Toronto.

Another angle is whether or not the contracts issued by Lloyds would be able to comply with the conditions laid down for Ontario insurers. An opinion, given The Financial Post from a responsible source indicates that such difficulties exist but that they are not insuperable. Some difficulty is thought to be occurring at present in making the Lloyds forms jibe with the provincial laws governing insurance contracts in Quebec province.

Whether western fire and casualty insurance interests will enter the controversy is not definitely known but it is not anticipated they will make a formal protest at the present time as their jurisdiction is not directly affected by the Quebec action. If other provinces were to license Lloyds, they would probably act however.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Dominion Life

I hold a large policy in the Dominion Life and have just realized that no dividends have been apportioned for some time. Is it true that dividends have now been resumed? Any information you can give me about the company will be greatly appreciated.

You need have no hesitation about the soundness of the Dominion Life. It is a fine, well established Canadian company and is licensed and operates under the close supervision of the Federal Insurance Department at Ottawa.

In view of the depreciated value of some of its investment holdings, the company considered it wise last year to postpone payment of dividends to both shareholders and policyholders for a period of a year. In our opinion this was an extremely wise move and indicates the management has the best interests of the policyholders at heart.

It is quite true that the company has resumed dividends as at July 1, 1932. The new scale is somewhat less than the scale prior to July 1, 1931, which is in line with the policy adopted by all Canadian companies.

Mill Owners Mutual

Would you give me some information on the standing of the Mill Owners Mutual Fire Insurance Co.? Is there any possibility of being called upon to make up the losses of the company in case of exceptional disaster.

Mill Owners Mutual Fire Insurance Co. is an old-established organization which has been doing business in Canada since 1923. It maintains a deposit of $183,000 with the federal government.

As to the possibility of an assessment, the company writes its policies on both a cash and mutual plan. Under mutual policies, there is liability for one year's assessment in the case of the company getting into financial difficulties, but the company's record over a period of 57 years has been an excellent one and this contingency has never had to be met. At the end of 1931, the company's surplus to policyholders has amounted to $1,233,000 or about 46 per cent of total assets. We understand that it has never failed to pay a dividend in its 57 years of existence.

National Life Insurance Makes Good Gains

National Life Assurance Co. reports that in the first six months of 1932, total business in force has increased 14 per cent and that paid-for business in the same period has increased 17 per cent over the same volume paid for in the first half of 1931.

Issued business is slightly ahead of 1931 figures.

Ordinary Life Insurance*

	1927	1928	1929	1930	1931	1932
January ..	$36,986,000	$47,569,000	$49,739,000	$45,074,000	$41,188,000	$37,331,000
February .	35,525,000	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000
March	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000
April	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000	23,629,000
May	44,553,000	49,581,000	50,547,000	48,871,000	41,314,000	30,993,000
June	45,298,000	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000
July	39,962,000	49,492,000	54,809,000	46,505,000	39,977,000	....
August ...	38,360,000	43,503,000	41,329,000	36,249,000	35,738,000	....
Sept.	35,000,000	38,872,000	43,013,000	38,994,000	30,066,000	....
October ...	48,104,000	55,743,000	50,894,000	44,527,000	36,006,000	....
Nov.	44,935,000	54,865,000	55,624,000	46,186,000	38,860,000	....
Dec.	48,899,000	56,647,000	54,169,000	49,026,000	47,163,000	....
Total, first 6 months, 1932						$218,533,000
Total, first 6 months, 1931						$261,502,000
Decrease, first 6 months, 16.4%						$ 42,969,000
Decrease, June, 1932 from June, 1931, 11.3%						$ 5,264,000

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1931. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut

Insurance Sales Hold Up Well In Six Months

Sales of ordinary life insurance in Canada and Newfoundland steadied considerably in June according to figures released by the Sales Research Bureau of Hartford last week and covering the reports of 15 leading Canadian companies having in force 84 per cent of total outstanding business in this country as at Jan. 1, 1931.

Total sales for June were $40,963,000, an increase of $10,000,000 over the May figure and only 11.3 per cent behind the June, 1931 return.

Six Months Figures

Total results for the first six months of 1932 show a decline in new ordinary business paid for of only 16.4 per cent. The 1932 figure is $218,533,000 which compares with $261,502,000 in the same period a year ago.

Sales by provinces are as follows:

Alberta	$ 1,759,000
Br. Columbia	2,378,000
Manitoba	2,394,000
New Brunswick	836,000
Nova Scotia	1,350,000
Ontario	17,258,000
Pr. Edward Island	56,000
Quebec	13,116,000
Saskatchewan	1,597,000
Newfoundland	219,000

Insurance Inklings

FRED W. SNELL has been appointed branch manager for southern Alberta for the Saskatchewan Life Insurance Co.

NORMAN NICHOLSON has been appointed manager of the newly formed estate conservation department of the Dominion Life Assurance Co. in Hamilton, Ont.

HORACE LEGENDRE, manager of the Prudential Insurance Co. in Quebec, P.Q., died on July 3.

ERNEST J. DUNFEE has been appointed manager of the Regina branch of the Great-West Life, succeeding his brother CLAUDE F. DUNFEE who has been appointed branch manager at Vancouver.

JOHN HOUSE has been appointed manager of the Great West Life at Edmonton following the resignation of J. H. Wright.

EQUITABLE LIFE OF IOWA held a two-day convention in Canada last week.

ARTHUR E. LOADMAN, of the actuarial staff of the Great-West Life Assurance Co., recently passed the final examinations for Fellowship in the American Institute of Actuaries.

Big Insurance Interest in St. Lawrence Seaway

There's a big insurance interest in the St. Lawrence Waterway proposition, points out Eastern Underwriter of New York.

Already, it is said, the announcement of the signing of the treaty has caused contract bond underwriters to start figuring on the extent of the bond coverage which the dam construction will require.

"It looms up far more impressively than the Hoover Dam project upon which there is a $5,000,000 bond," one underwriter is reported to have said.

London Life Underwriters Make Successful Drive

London Life Insurance Co. has chalked up a splendid record in its annual "June" drive for business. Final figures as reported in the company's weekly agency bulletin places total issued business in the period of the drive, as $21,000,000. This compares with $17,072,285 issued in the same period in 1931.

Figures by weeks follow, the 1932 figure under the caption "final issue" being only approximate. It will be noticed that in only one week was the 1932 figure below 1931.

Issued Business in "June" Drive of London Life

	1931 $	1932 $
First week	2,178,557	3,024,169
Second week	2,198,584	2,601,145
Third week	2,067,692	2,737,533
Fourth week	2,104,725	2,549,117
Fifth week	2,367,688	2,314,000
Sixth week	2,864,690	3,369,807
Final issue	3,290,349	4,400,000
Total	17,072,285	21,000,000

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT
INSURANCE COMPANY
Head Office — Waterloo, Ont.

Assets (Dec. 31, 1931) $ 8,125,1
Policy Reserves 6,846,85
Insurance in Force ... 51,355,67

Licenses have been issued in Alberta to:

Great American Indemnity Insurance Co., of N. Y., authorizing it to transact automobile and plate glass insurance in the province;

National Slovak Society of the United States of America, authorizing it to transact like insurance in the province to the extent authorized by its charter.

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE · TORONTO

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,616,449.70
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.
This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger HEAD OFFICE: TORONTO, CAN.

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The CANADA LIFE ASSURANCE COMPANY
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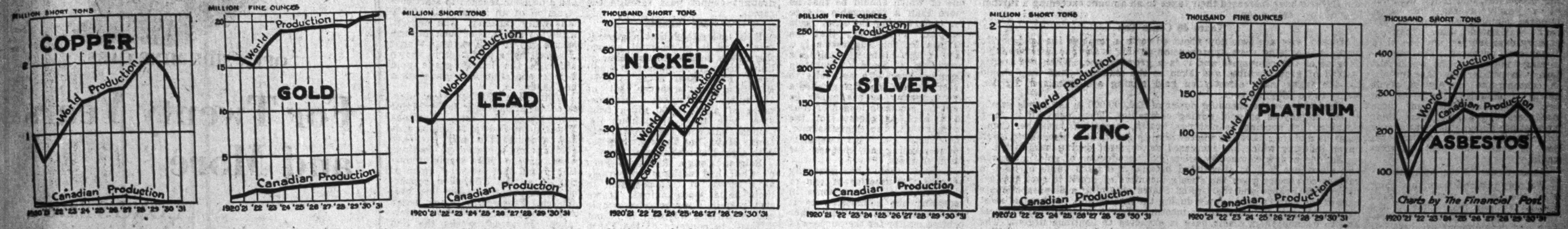
SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 30, 1932 10c a Copy; $5.00 a Year No. 31

Canada's Mines Are Magnet for Eyes of Hopeful Empire



Charts graphically show trend of production of the leading minerals in Canada as compared with world output. It is shown that the Canadian production of copper, gold, lead, nickel, zinc and platinum is on an ascending scale in relation to the world output.

Wild Cat Finance Not Essential Part of Mining Activitiy

Mineral Output Despite Economic Depression Stands Firm

REWARDS ARE LARGE

Legislation Making Life of Unscrupulous Promoter Uncomfortable in Plying Trade

By SIR JOHN AIRD
President of Bank of Commerce

Two striking facts, one pleasant and the other unpleasant, stand out in the recent record of Canadian mining. The first and pleasant fact is that our metal mining industry has proved to be a source of great national strength at a time when Canada has been drawn into the path of a severe economic storm.

The most impressive figures of production in the records of our major industries for 1930 and 1931 are those of precious and non-ferrous metal mining. In 1931, the output of all metals fell, except gold, which, as is well known, rose to a record level. The decline was marked in the case of silver, nickel and lead; there was a fairly sharp drop in zinc, but only a slight reduction in copper. The percentage decline from 1930 in each of the latter metals was: nickel, 36.7 per cent; lead, 19.7 per cent; zinc, 11.4 per cent; silver, 22.3 per cent, and copper, 3.4 per cent. We might compare these figures with those for world production except in respect of nickel, of which Canada is the major source. It is estimated that the world's new supply of lead last year was 17.5 per cent less than in 1930; of silver 22.6 per cent less; of zinc 27.7 per cent less; and of copper about 20 per cent less. Applying the average 1929 price of each metal to the 1931 output, in order to arrive at a just comparison between the two years, we find that the total metallic production in Canada was 9 per cent greater in 1931 than in 1929, even after two years of general depression.

Industry Stands High

Let us compare this record with that of industrial operations. Between 1929 and 1931 manufacturing in Canada declined 28 per cent. In fairness to Canadian industry, however, I should point out that it stands high in comparison with world industry, for its production has not fallen below the level of 1925, whereas that of some major industrial countries has been reduced to the volume of still earlier years; the retrogression in American industry, for example, has carried it back to about the level of 1921. That we can still speak favorably of Canadian manufacture, but show that Canadian mining has been a stronger element in the nation's business, is a further tribute to the latter.

Such comparatively excellent results as these are of course qualified by the great decline in metal prices, except for gold, and by the consequent reduction in the income of the producers. Yet I venture the opinion that nowhere has there been better mining practice or more progress in reducing costs than in this country, and these achievements, together with the rich ore available in some of our mines, have been largely responsible for, in some cases, profitable operations and, in others, sufficient financial returns to prevent suspensions of operations.

Financing Unpleasant

The second, and unpleasant fact, is that we witnessed a few years ago, during the sound development that led to the splendid production records just described, the wildest kind of speculation in mining stocks, which meant not only severe loss to the general public, but also was harmful to the mining industry. There are some who claim that "wild cat" promotion and stock selling are the natural, even necessary, companions of mineral development. I do not understand why such transactions should be associated with those based upon carefully planned exploration and development. In one case the object is to "mine the public," in the other, to turn wastes of rock into new sources of minerals, and that they should go hand in hand seems unnecessary, and as we have learned from past experience, highly dangerous.

I realize of course that mineral development depends largely upon the public for the capital it requires, that in recent years both stock exchanges and governments have taken steps to safeguard the public and that we may still be far from that maturity in mining experience which would give us the high place in the world industry that geological conditions promise. But notwithstanding the protective measures which have been instituted, that army of men of honest purpose—geologists, prospectors, engineers and mining executives—continue to have camp followers who look anxiously to any new mineral field as a reopening to the avenue of "mob speculation." They should never again have the opportunity they had a few years ago, either to exploit the public or to obtain part of the capital that a sound industry requires from time to time.

Tool Made of Mining

Mining lends itself to excessive speculation because the reward is great to those who finance successful ventures. The claims that are staked in a new field of discovery generally fall to three buying groups, namely (1) business men in the immediate locality who, from personal knowledge of and intimate contact with mining, form local companies or syndicates, usually for the purpose of development, furnishing, as a rule, within their own group all or most of the required capital; (2) large companies operating successful mines and ever on the look-out for new properties of merit, employing an expert field staff financed mainly from the concern's own resources; and (3) promoters of varying degree of honesty of purpose, but including those to whom mining is merely a cloak to conceal the sale of worthless stock.

Success in turning claims into producers is not confined to any one of these three classes, but the odds are on the first two, and the heaviest on the second. In respect of the first class it is frequently the case that the local group desires to develop a promising property with its own funds and to reap for itself alone any reward therefrom; in other words, public funds are not solicited on a large scale in this form of venture. The second class, the large, well-established mining companies, seldom seeks public funds solely for its exploration and development programmes, for these are part of its regular business; or perhaps to explain the situation more clearly, the search for and the opening up of new mines is usually complementary to the production of minerals from existing mines, with funds for both purposes drawn from capital already furnished a successful enterprise and from its profits.

If further capital is required it is not likely to be requested unless development has entered the stage where it has placed the property above the level of a mere prospect. No reputable mining company will ask the public to risk its money in mineral claims until sufficient work has been done on them to show that they are likely to be of commercial value.

Promoter Leans on Public

But the strictly promoting class leans almost entirely upon the public for financial support. One in this group may not be dishonest, but merely enthusiastic and of the greatest faith in his venture. There have been occasions when he has made the most important discoveries or opened up the richest ore bodies in a new field. But it is essential to note that even the honest promoter is generally less successful than the two above-mentioned groups, not only because he, like the dishonest promoter, lacks their financial resources and practical and technical knowledge, but also because he is usually the last to take up claims in a new field. Yet it is to this class that the public is apt to entrust the most money.

It is a startling fact, written again and again in the history of mining, that the most active and extensive mineral exploration and development results in but few

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Quebec Gold Output Maintains High Levels

Quebec's gold production continues at high levels with the June production amounting to 35,316 ounces as compared with 41,802 ounces in May, bringing the total production for the first six months up to 214,572 ounces as compared with a total of 135,493 ounces for the entire of last year.

Copper production for the first six months amounted to 31,776,830 as compared with 80,310,363 pounds for all of 1931. Silver production in the first six months of 1932 amounted to 337,692 ounces while asbestos production showed a further decline with a total of 53,612 tons for the first six months.

GREAT BEAR LAKE MINING ACTIVITY NEW FOCAL POINT

After 150 Years District Gets Long Deferred Attention

By JOHN C. ROGERS

Exploration, of that section lying west of Hudson's Bay and northward to the islands in Coronation Gulf, is recorded as follows:

Richard Norton, 1717;
Samuel Hearne, 1769-1771;
Sir John Franklin, Richardson, Bach and Hood, 1821, and a second expedition 1825 and 1826 accompanied by Kendall, Richardson and Rae;
The Franklin Search Expedition, 1849-1851;
Collinson, 1852;
David Hanbury, 1902;
Amundsen, 1905;
Stefanson, 1910;
Captain Bernard, 1910-1912;
The Douglas Expedition consisting of George Douglas, Lionel Douglas and August Sandberg, 1911-1912;
The Canadian Arctic Expedition of 1914-1916.

With the exception of the last two parties, only the scantest references were made to the geology of the sections visited. The last two explorations were respectively of the Dease, Kendall and lower Coppermine River; and of the shores of Coronation Gulf. Interesting reports on both these sections have been given as well as a splendid description in "Lands Forlorn" by George Douglas.

It was for the purpose of examining these finds that the ill-fated MacAlpine party left late in the fall of 1929 from their base at Baker Lake, and by unfortunate weather conditions were forced down at Dease Point. Meanwhile, Walter Boland, a freetrader from Franklin, acting as guide for Moore and McIver, who represented United Eastern interests arrived at Hunter Bay by plane and at the same time Gilbert LaBine and party, representing the Eldorado Gold Mines arrived in like manner. Sloan, having used a boat as a means of transportation arrived later. These men were later followed by the splendidly equipped parties of the Dominion Explorers, Northern Aerial Minerals Exploration and Consolidated Smelters, all of whom operated their own air fleets, which were used for transport of men and supplies and aerial reconnaisance. A search for copper ore bodies was made which resulted in twelve promising prospects being located. Some of these, because of their high grade and size will at some later date be a source of return to their owners.

LaBine Makes Find

It was during the flight out at the end of the 1929 season that LaBine noted the extensive gossans and faults in the vicinity of Echo Bay and thus determined his early entry during the following winter. On his return for the 1930 season he was landed near Echo Bay, and dragging a heavily loaded toboggan with the aid of his partner St. Paul, he located both the Echo Bay find and the Bonanza, six miles farther south. Finally, just before breakup these men made their weary way to Hunter Bay, thirty-five miles north. A journey of this distance through slush and on thin ice was both backbreaking and dangerous.

With the understanding that Dominion Explores would do no staking in the vicinity of the finds until further careful inspection had been made and all the claims had been staked that the finders required, Mr. LaBine showed the writer samples of uranite, bismuth, cobaltite, smaltite and copper. So interesting were these samples, that a careful examination and mapping of LaBine Point was done to ascertain the conditions which seemed most favorable as indicators under which a repetition might be expected to be found.

Heavy Silver Concentration

Heavy silver concentration was also noted where manganese carbonate is present. These indications are noted with regard to the LaBine find. Smaltite and silver are found in sediments under like conditions on the ground of the Consolidated Smelters at Echo Bay. Also it is interesting to note that smaltite occurs on Stevens Island in Lindsley Bay, Achook Island and as far north as the Consolidated Smelters' claims about five miles north of Hunter Bay.

As preliminary work was more of a search for large bodies of high-grade copper than the necessary close investigation of smaller zones for uranium, cobalt, silver and gold it is considered that a much closer scrutiny of the section around McLaren Lake and the mouth of the Camsell River may bring forth equally interesting results.

Similar to Bohemia

It may be of interest to note that in Bohemia the age relation of the various minerals is cobalt, the oldest then uranium minerals and

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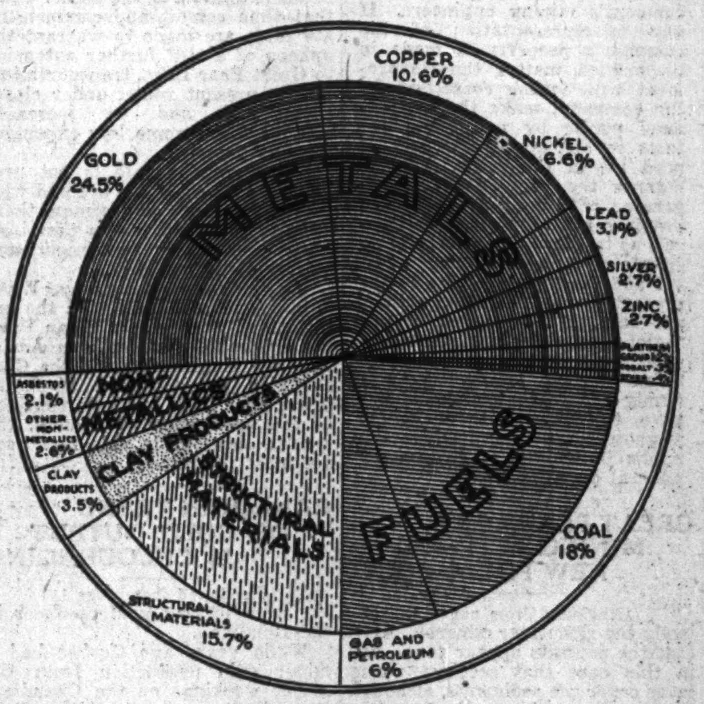
Canada's 1931 Mineral Production



Metals form major part of Canada's mineral output. Gold leads in value.

Canada's 1932 Gold Output Estimated at $63,000,000

Preliminary Survey Promises an Increase of 13 Per Cent as Compared With 28 Per Cent in 1931—$100,000,000 by 1940

Despite the fact that United States and France are the two principal remaining countries whose currency is strictly on a gold standard basis, there has been no manifestation by the Canadian gold producers of concern lest gold would become only a commodity with a depreciated value, and Canada's gold producers continue to expand their operations.

Early in 1931 The Financial Post made a survey of the various gold producers of the Dominion and estimated that the 1931 gold production for the whole of Canada would be $56,000,000. How close this was to the actual figures is shown by the accompanying table where the official figures are given as $55,715,120.

A close study of the present and prospective gold producers prompts another forecast for the 1932 output, now estimated at $63,000,000. As in 1931, Ontario will account for the principal amount of the increase, with Quebec showing a substantial gain as well.

While 1932 does not promise to show the big advance in gold production that 1931 showed, yet the increase is approaching a stabilized point that can doubtless be well maintained. In 1931 the gold output for the Dominion was approximately 28 per cent over that of the previous year, while 1932 promises to show about a 13 per cent increase over 1931 figures.

That the Dominion is well on the way to an annual production of $100,000,000 in gold annually is evident. This would mean an average increase annually for the next eight years of 7½ per cent. In view of the fact that the production was increased 28 per cent last year and 13 per cent is forecast for this year, an annual objective of $100,000,000 by 1940 does not seem improbable.

The following is an estimate for 1932 as compared with actual production in 1931:

Gold Production Estimate
Canada's Principal Gold Mines
(Exchange Compensation Extra)

	1931 Official $	1932 Estimated $
Alberta		
Miscellaneous	4,031	25,000
British Columbia		
Bralorne (new)	......	250,000
Premier	1,700,000*	1,600,000
Pioneer	600,000*	1,000,000
Placer deposits	291,845	500,000
Base metal and miscellaneous	727,928	500,000
	3,319,773	3,850,000
Manitoba		
Central Manitoba	485,000*	500,000
Cryderman (new)	......	20,000
San Antonio (new)	......	250,000
Base metal and miscellaneous	1,643,558	1,600,000
	2,128,558	2,370,000
Nova Scotia		
Miscellaneous	9,509	10,000
Ontario		
Ashley (new)	......	70,000
Ankerite (new)	......	125,000
Barry Hollinger	224,271	200,000
Coniaurum	749,929	900,000
Dome	3,507,712	4,000,000
Hayden (new)	......	60,000
Hollinger	10,069,733	10,000,000
Howey	862,066	1,300,000
Kirkland Lake Gold	585,321	600,000
Lake Shore	11,033,728	13,000,000
March (closed)	217,340	75,000
Minto	72,792	150,000
Moss (new)	......	150,000
McIntyre	4,742,395	5,600,000
Parkhill	68,742	140,000
Sylvanite	897,914	950,000
Teck Hughes	6,086,234	6,000,000
Toburn (new)	......	150,000
Vipond	563,021	480,000
Wright-Hargreaves	2,904,815	3,500,000
Base metal and miscellaneous	531,671	595,000
	43,117,684	48,055,000
Quebec		
Granada	250,000*	350,000
Noranda	5,100,000*	6,100,000
O'Brien (new)	......	100,000
Siscoe	742,812*	1,000,000
Miscellaneous	126,867	150,000
	6,219,679	7,700,000
Yukon		
Miscellaneous	915,886	1,000,000
Grand total for Canada	55,715,120	63,000,000

*Estimated.

CANADIAN TREND OF GOLD OUTPUT IS ENCOURAGING

Kirkland Lake Area Leads in Point of Gold Produced

The expansion of the gold mining industry in Canada during the past three years, a period of world economic depression, has elevated the Dominion to the second most important gold producer in the world.

The early history of gold production in Canada is largely confined to the placer operations of British Columbia, started in 1858. It was from this source that the principal gold production was derived until the discovery in 1896 of the rich gravels of the Klondyke River in the Yukon. Between 1898 and 1905 the value of the gold production in the Klondyke amounted to more than $100,000,000. About the close of the last century gold was discovered in the Lake of the Woods area, Western Ontario, coincident with the development of lode gold mining in Nova Scotia. The previous peak gold production was reached in 1900, with an output valued at $27,908,163. From that time on, there was a steady decline until the discovery of the Porcupine area in Ontario in 1909. This gave the first real stimulus to lode gold mining which has been responsible for the steadily advancing output of the metal. To the end of 1931, the Porcupine area had contributed $286,622,602 to the gold production of the Dominion. Foremost among these producers was the Hollinger Mine, followed by Dome, McIntyre, Vipond and Coniaurum, in the order named, the principal producing properties operating at the present time.

Kirkland Lake Now Leads

Discovery of the Kirkland Lake camp in 1911 was the next important development in Ontario gold mining. This camp's production to the end of 1931 was $101,639,606 in gold. Last year it assumed first place among the gold producing camps in Canada, second only to the Rand of South Africa. The winning of first place of the Kirkland Lake camp is the result of the steady expansion of the producers in the area which named in order of present production are Lake Shore, Teck-Hughes, Wright-Hargreaves, Kirkland Lake Gold Mining and Sylvanite. The Porcupine Camp on the other hand showed a decline in gold production since 1927 until last year and indications are that in the immediately succeeding years increased production will be reported by both these major camps.

In 1930, the Red Lake area entered the ranks of the producers when Howey Mines came into production. This property is pioneering and has revived interest in the area with its steadily increasing production. Last year Michipicoten, an old district that has been prospecting for years entered the ranks of the producers when Parkhill Gold Mines and the Minto Gold Mines started production. This fall the Matachewan district, which has been prospected for years will make its initial bow as a gold producer, with the commencement of operations by the Ashley Gold Mining Corp.

Early this year, another area, the Thunder Bay district, re-entered the ranks of the gold producing districts when the Moss Gold Mines rehabilitated the old Huronian property and started production.

Prospecting is being carried on in the province on a magnitude never known before and many interesting prospects are now in the early stages.

Quebec's Output Second

While Ontario has led in the rapid expansion of gold production, Quebec has responded with its Noranda Mines and the gold found in its copper ore makes it rank as

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Gold Mining Success Aids Canada Mightily In Depression Period

In Quarter Century Production, Employment and Creation of New Wealth Have Advanced Hand in Hand—Prospectors Venture Into Every Likely Area

EXCHANGE COMPENSATION SPURS SEARCH

Recent Increases in Output Upset Predictions of Gold Committee of League of Nations — Continuance of Progress at Same Rate May Put Canadian Annual Gold Output to $100,000,000 by 1940

How far Canada's gold mines have outstripped all reasonable expectations of experts skilled in interpretation of statistics may be seen from the fact that gold output in 1932 is at the rate of $63,000,000 annually whereas only a few years ago the gold committee of the League of Nations put the imprimatur of its prestige behind an estimate that in 1934 Canada "might reach an annual production to the value of $44,000,000. Canada almost reached that League of Nations' goal in 1930 with output worth $43,453,601, exceeded it in 1931 with a total output of $55,715,120, may show a further increase to $63,000,000 in 1932 and at the present rate of progress will have production of $100,000,000 in 1940. All calculations are exclusive of exchange compensation paid by the Government.

Stimulates Production

The exchange compensation running all the way from 10 to 15 per cent represents a decided impetus to further quick expansion of gold mining. In view of the fact that Canadian gold could be sold at par in the United States for United States dollars, the Dominion government has found itself obliged to pay the difference in order to keep the gold in Canada for the use of governments and municipalities in settling interest and maturities on foreign-held bonds as they fall due. Meanwhile Canadian dollars purchase as much in labor and more in materials than before the fall in the exchange rate and this added premium has enabled many marginal producers to open up in a larger way. It has even allowed some gold mines which otherwise would have operated at a loss to pay for the first time. As the extra funds thus provided have enabled such operators to explore further the possibilities of their properties, it may be that many of the marginal producers will be able to continue even when the Canadian dollar once more regains par in New York City. This is because there has been a decided improvement reported in the economy of operations, and the added exploration underground has disclosed in some cases encouraging gain in ore reserves both as to quantity and value.

Canada Outdoes Past Efforts

Therefore Canada's whole history does not present a comparable spectacle in the search for gold. Prospectors in every likely part of Canada from Halifax to Victoria and as far north as the Arctic Ocean are on the qui vive for every promising indication of the yellow metal. Long forgotten blue books have been unearthed and studies and explorations in far-off districts made by geologists now dead or very old, give hints which are being followed up. Only exceptional finds in copper and silver prospects are being developed and at present prices for silver and for all base metals one can expect this keen search for gold to continue. Efforts have been immensely speeded up in the last several years by the quick access given to even farthest north spots in Canada by aeroplanes. Scores of intrepid, experienced airmen have been developed, and travel yearly becomes easier, safer and incomparably more expeditious. One well-known Canadian mining geologist rose one morning at his camp on the Arctic ocean. Thirteen hours later he was in Edmonton. Ten years ago a northern expedition would have taken four or five months to cover the same ground. And this is not unusual, only illustrative.

Spurted 27 Per Cent

Since 1930 Canada as a gold-producing country has been second only to South Africa. She made a spurt of 27 per cent in 1931. In 1932 the rate of output is steeply upward. When placer production fell off sharply in the first seven years of this century, many thought they saw the passing of Canada as a gold producer. And even when lode mining started to take its place about 1907 there was nothing to make people speak particularly of Canada as a gold-producing nation because sixteen years had elapsed before production was again near the placer peak in 1900.

And, now, nine years later, production is double the old placer record; rich men's mining has replaced poor men's mining, and it has all the aspects of durability; and paradoxically the poor man now gets in on the rich man's game because all gold mining companies are joint stock companies and the stock market allows all the old thrills of chance for loss and gain without the personal risk and hard work which was a part of the life of the old placer prospector.

Employment Increases

Men employed in gold mining have increased in numbers for the last 25 years and until the last two years the total of men employed corresponded directly with increasing output. In the last several years, however, mining efficiency has improved so quickly that the output has improved greatly without a corresponding increase in number of men employed. Wages and salaries paid have been maintained and in that respect the gold mining industry has become the aristocrat among mining industries. The gold operators are able to pay because gold is worth so much more than it has been for 20 years and in addition they are getting more in Canadian dollars for the gold.

At the annual general meeting of the Canadian Institute of Mining and Metallurgy, Balmer Neilly, assistant to the president of McIntyre Porcupine Mines, analyzed the division of gross receipts of 14 Ontario gold mines; if The Financial Post is approximately accurate in estimating money received for total output of gold in Canada in 1932 at $63,000,000, on the same basis as that suggested by Mr. Neilly, there is now being spent by gold mines in Canada during this year of depression nearly $40,000,000 in operating costs, $21,000,000 in dividends and capital return, and about $5,000,000 in surplus set aside from profits.

Of the operating costs it is probable that about $20,000,000 goes for labor, $3,300,000 for power, about $3,100,000 for taxes, $1,500,000 for

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WILD CAT FINANCE NOT ESSENTIAL PART OF MINING ACTIVITY

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producing properties. A noted American authority has said that "the best to be expected is one mine out of every three hundred prospects." But I fear that he was on the optimistic side. One large mining company operating under the most favorable circumstances kept a record for some years of the results of its field work in examining properties, and found that out of a yearly average of seven hundred claims less than 20 per cent warranted more than a cursory examination, and less than 1 per cent purchase. The copper-mining industry of the world, the leader in non-ferrous base metals, is concentrated largely in about thirty companies operating in less than ten countries, and these producers can supply from their present ore bodies sufficient copper to meet the world's requirements for at least the next quarter-century.

Inexperienced Need Assistance

We may proceed from this point with the fact in mind that even though success may come to the inexperienced, mineral exploration and development are best left to those who have the greatest command of capital, technical skill and good management, and who are the least dependent upon the speculative whims of the public. The capable mining executive, conscious of his responsibility to his shareholders, will strive not only for the utmost efficiency in production and for the most advantageous marketing arrangements, but also to prolong the life of his organization by enlarging its ore resources so that those who have money invested in it will enjoy a longer profit-sharing period than would be the case if operations were confined to one property with the ordinary span of life. In other words, this executive will endeavor to provide his shareholders with a broader base of profits by searching for new mineral bodies in order to offset, in conjunction with proper depreciation allowances, the law of diminishing returns which results from the natural wasting of assets that follows the mining of the company's ore.

This practice may in effect render unnecessary that recommended by some investment authorities, namely, that part at least of a mining company's dividends be regarded as payments into a sinking fund for the retirement of the investment. These authorities claim, on the basis that any one mine will be exhausted in time, that dividends on mining capital should be so large as to provide not only a fair annual return as profit, but over and above this sufficient during the life of the mine to redeem the original outlay.

Should Pay 15 Per Cent

On this subject the Transvaal Chamber of Mines said a few years ago: "On the question of leasing Government land in the Far East Rand for gold mining, the Government Mining Engineer said:

"On the financial side it will be assumed . . . that by a 'workable mining proposition' is meant a mine returning annually over a period of twenty years, after paying its share of profits to the government, a dividend of at least 15 per cent on the capital sunk, and also a further sum which invested at 3 per cent will at the expiry of this period amount to the capital invested. It thus appears that a yield of from 10 to 15 per cent on the capital invested after providing for amortisation would be a fair return on such a speculative business as gold mining.

"The correct basis upon which to estimate the return from the capital invested in the gold mines is the working capital expended, plus the value of the consideration given for the ground. The former includes capital obtained from the cash subscribed for shares, from cash obtained from debentures and loans, from premium on shares, and from profits; the consideration given for the ground was generally shares but sometimes in cash.

"Calculations made by the Chamber of Mines strictly on this basis and using the official figures of capital invested, dividends declared and allowance for redemption of capital as laid down by the Union Inland Revenue Department for income tax purposes show a return on the capital invested of under 7 per cent after allowing for redemption of capital. An independent calculation made by the late Professor R. A. Lehfeldt, of the Witwatersrand University, showed a return of 6¼ per cent. These calculations prove that the Witwatersrand gold mining industry, far from having been a very profitable enterprise for the shareholders, has returned a yield only slightly greater than could have been obtained in government securities."

It is important to note that the statement just quoted applies to a gold field which for size, uniformity of structure and continuity of operation is without parallel in the history of gold mining.

We see, then, that there are some exacting conditions imposed upon even the leading and most capable members of the mining fraternity. It goes without saying that these requirements can be met by the promoting class only with extreme rarity.

It may be argued, however, that in a democratic country like this the entire range of the mineralized area be as free to the individual as to the large corporation, and that the public should be permitted to finance the former—even to indulge in wild speculation—if it so desires. But if the public is not yet aware of the limitations that nature has placed upon even such a great mineralized country as this, it should know the facts I have set out above and any others that may help to prevent the appalling waste of money which has occurred previously in capitalizing the search for new mines.

But the ability of the fraudulent promoter to convince his audience that his proposition is one of merit is his main stock in trade. The wings of this vulture have been clipped by the regulations recently adopted by our governments in respect of the sale of securities. If, however, as appears to be the case, there is any doubt as to whether these measures will end the activities of the mining blackleg, there should be no hesitation in providing further safeguards. I suggest the following for consideration:

1. That no company be permitted to list its shares on a stock exchange until its property has undergone sufficient development to prove that it is a mine. This would place upon the promoter the responsibility for initial expenditures, as is generally the case with industrial companies.

2. That prior to a mining property being developed to the production stage the shareholders be permitted, if they so desire, to appoint an independent authority as their trustee who would have joint control with the management of all funds received from public subscription. The trustee should be bonded for the proper performance of his duties, as outlined by the shareholders, one of which should be that no more than a reasonable charge for underwriting the stock issue be paid. I may say that the pattern for this suggestion is a law of the State of California providing a State Corporation Commissioner with authority to order that all capital furnished a new company by the public be kept for a certain length of time in a bank in escrow for the company and the Commissioner, the latter or his deputies countersigning all cheques for disbursements.

3. That there be generally adopted the practice of one of our Provincial Governments in requiring the submission to it of a prospectus or any other printed matter for the purpose of effecting the sale of stock. These documents are checked against reports on the property on file at the Department of Mines or specially provided by the Government's mining engineers. If any misrepresentation of the company's property is made in its printed matter the Government will, failing correction by the company, make the discrepancy public by publishing the facts in official reports and, if need be, in the press. In this manner the way of the transgressor of mining truth in the province has been made so difficult as to give him practically no chance of success.

I add these suggestions to the preceding part of this article, not only in the interest of our national economy as a whole, but also in the interest of the Canadian mining industry, for I firmly believe that it should not have to share with dishonest promoters the capital which the public is willing to supply for mineral developments.

GOLD MINING SUCCESS AIDS CANADA MIGHTILY IN DEPRESSION PERIOD

(Continued from page 11)

explosives, $750,000 for silicosis and compensation, $9,000,000 for supplies other than explosives and about $2,500,000 for depreciation.

It may be noted here that this estimate of amounts paid for taxes includes only direct levies by Dominion, province and municipality and does not include sales tax, customs duties, excise, transfer, stamp, acreage, stumpage, corporation and gasoline taxes, filing fees and licenses of various kinds. The municipality gets about five cents a ton, the province about 15 cents a ton and the Dominion about 22 cents a ton in direct taxes. Since that computation was made both Dominion and Ontario have increased their taxes to an amount exceeding a further levy of two cents a ton.

Taxes 46 Cents Ton

Direct taxes are thus now about 46 cents a ton, and the tendency to increase is causing some apprehension as this is the one uncontrollable expense of the companies and it is a growing one. When net profits instead of gross receipts are taken as the standard—and they should be—the taxes made directly on gold mining are calculated by Mr. Neilly to be 26½ per cent.

Then there is the spending power of $20,000,000 in the hands yearly of the employees of gold mining companies. They need all in food, clothing, fuel, housing, furnishings, health, recreation that other Canadians do and they have the wherewithal to get it. It is pleasant to dwell on an industry which has increased employment during hard times.

So long as low commodity prices exist production of gold in Canada and elsewhere will be stimulated because the fixed value of gold in various currencies gives the strong incentive of profit to such production. With France and the United States obtaining a disproportionate part of the world's gold supply during the last decade, the need of most nations for gold to help them in meeting adverse international balances and to expand their credit base is expected to continue urgent. The furore of talk and the tons of printed paper which have been consumed over various methods of providing for currency, credit and settlement of trade balances between nations appears to be settling down to a tacit acceptance by everybody that gold is indispensable in any kind of workable system today.

The increase in compensation and reduction in costs made at many mines have a double bearing on ore reserves of gold mines. The exchange compensation will disappear when Canada's dollar once more will buy a United States dollar but every reduction in costs places automatically new wealth within the range of Canada. A reduction of $1 a ton in costs would open many mines now too low-grade for profit, add ore reserves to profitable mines from areas hitherto avoided as not sufficiently valuable and cause development of prospects which become suddenly important.

GREAT BEAR LAKE MINING ACTIVITY NEW FOCAL POINT

(Continued from page 11)

lastly the rich silver minerals. Also, that the deposits appear zonal, and in this case that sections where lavas cover the sediments, although the break continues through the lavas, mineralization might be confined to the underlying sediments.

Since considerable discussion has taken place as to the transportation problem let us consider this phase. The northern railroad terminal is at Waterways, Alberta, about 250 miles north of Edmonton. From Waterways a steamer route is available by means of the Clearwater River and the Athabasca River to Fort Chipewyan on Athabasca Lake, a distance of 165 miles, thence up the Slave River 85 miles to Fitzgerald, where a portage of 14 miles must be taken to avoid the rapids which extend to Fort Smith. This portage is at present a truck road, but it is understood that arrangements have been made to connect Fitzgerald and Fort Smith with a light railroad. A total of 220 miles intervenes between Athabasca Lake and Resolution, a post on Great Slave Lake. From Resolution to Providence is 140 miles, thence by way of the Mackenzie River 150 miles to Simpson, where the Laird River junctions and finally 275 miles to Norman, at the mouth of the Bear River. From Norman to Great Bear Lake is 90 miles, but here again a transshipment must be made as heavy draught cannot pass through the rapids.

Road Planned

It is understood that a government road is to be built around this rapids to obviate the labor of lining through shipments in small boats. From Bear River to Echo Bay is a direct schooner route of 155 miles. This makes a total distance of about 1,200 miles from steel with three transshipments. Compare this with Treadwell's route from Mayo to Tacoma Smelter with eight transshipments.

Belgian Congo, Rhodesia, Peru or Chili had nothing comparable as a means of transportation in their initial undertakings. If we still remain a progressive people and conditions warrant, it is not difficult to conceive of the Peace River country being opened up for settlement by a railroad, or that the lead deposits of Great Slave Lake will remain unworked for the want of an extention to the same. Until that time comes, and commensurate finds are made to warrant the upkeep of a still further extension to Great Bear Lake, transportation, by the present route, under closer supervision and in increased amount will become less expensive than at present.

Even now the rate is not prohibitive on high-grade ore and with fuel oil available at Norman, there appears to be no reason that low-grade ores cannot be concentrated to a shipping grade.

The finds are outstanding. When it is considered, that, with the exception of work on the Sloan Find, the Eldorado, the Northern Aerial Minerals Exploration and the Consolidated Smelters, all work at Great Bear Lake has been confined to the acquisition of ground, the results obtained in this new area are most interesting.

CANADIAN TREND OF GOLD OUTPUT IS ENCOURAGING

(Continued from page 11)

the third largest gold producer in the Dominion.

While years ago Quebec had a minor gold production from the placer workings on the Chaudiere River it was not until Siscoe Gold Mines started operations early in 1929 that Quebec had an exclusively gold producer. Pioneering a new district removed from convenient rail transportation, this company has focused attention on the eastern extension of the mineralized belt from the Rouyn copper-gold area. East of Siscoe is Quebec's newest gold camp in the Pascalis district.

Second among Quebec's exclusive gold producers is the Granada Mines, which started operations in midsummer 1930. Leaving Rouyn township with its Noranda and Granada the trail winds eastward through Cadillac township where M. J. O'Brien is building a 100-ton mill, which is planned to be in operation in a few weeks. Pascalis, regarded as Quebec's next gold camp includes Pascalis, Loubicour and Senneville and Bourlamague townships. Here the Treadwell-Yukon Company has its 100 ton test mill nearing completion.

About 15 miles northwest of Noranda Mines is the site of the Beattie Gold Mines, not only pioneering a new district but a new chapter in the annals of Canadian gold mining. Here a low grade deposit averaging around $3 per ton in gold has been under development and a decision reached to start construction of an initial unit of 800 tons daily capacity. The deposit, while low grade, is of such uniform nature and of such expanse that it is hoped that a profit can be shown although the lowest grade gold mining operation ever undertaken in Canada.

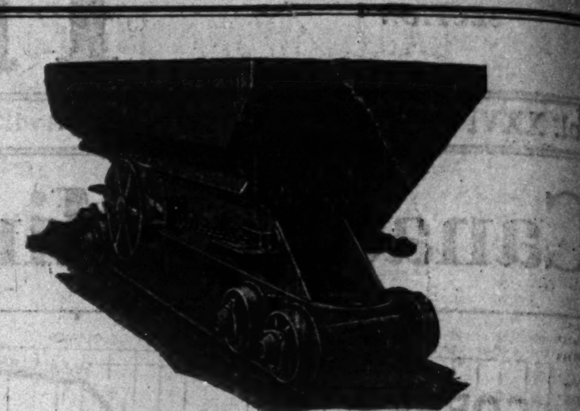
While Manitoba has been interested in prospecting for gold for many years the Central Manitoba Mines in the Central Manitoba area has remained the only exclusive gold mining operation to continue work. Late in 1930 the gold production from the province mounted rapidly as the Flin Flon copper-zinc-gold property came into production. Prospecting is now active and on a scale never before undertaken. In recent weeks the San Antonio Mines in the same area as the Central Manitoba started production.

Foremost among the new districts in Manitoba being prospected is the Island Lake area, adjacent to the Ontario boundary. Here Ventures Ltd. has been diamond drilling a gold prospect and indications are that a pilot mill will be installed before many months.

B. C. Mills Expanding

Passing on westward through the provinces of Saskatchewan and Alberta which do not number among the commercial gold producers we come to British Columbia, the scene of Canada's earliest gold mining operations of importance. Interesting properties in many areas are being intensively prospected and indications are that a substantial advance in gold production will be made in immediately succeeding years. Premier Gold Mines in the Portland Canal mining division, long the province's leading gold producer has a waning production. Pioneer Gold Mines, in the Bridge River district, is doubling its capacity; Reno Gold Mines in the Salmo Valley is doubling up its mill capacity and the Bralorne in the Bridge River district started a new 100 ton daily capacity mill early this year. Cariboo Gold Quartz Mining Co., is erecting a 25 ton mill on its property near Barkerville, thereby pioneering the testing of lode mining possibilities of that area. Gold production from the ore treated at the Trail smelter of Consolidated Mining & Smelting shows an increase for the first six months of this year although the production of base metals has declined.

Alluvial gold mining operations in the province have been steadily expanding. Ocean beach sands treated on the shore of Graham Island resulted in the recovery of a small amount of crude gold. In the Stikine mining division on the north shore of the Clearwater River a 1,500 cubic yard dredge has been installed. In the Laird mining division on the Dease Creek exploration is under way.



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General View of Lake Shore Mine Buildings at Kirkland Lake

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LAKE SHORE MINES

Steady Expansion Makes Company Largest Gold Producer on Continent With Ore Developments That Promise Sustained Earnings

Lake Shore Mines was incorporated in 1914 by Harry Oakes and is Canada's largest gold producer, having been in continuous production since 1918, dividends being inaugurated the same year. Lake Shore Mines is unique among Canadian mining enterprises. The nucleus of the company's property was staked and the company was organized, promoted and managed by the staker who holds controlling interest. It was also unique in that it was brought into production at one of the lowest costs of any gold mine in Canada, about $350,000, paid dividends sooner, has never had to undergo a financial or capital structure reorganization, and has steadily expanded, from a 50 ton operation, paying dividends to the limit of its earning capacity. It has not interested itself in properties or developments outside of its original holdings and its working capital at last report around $4,500,000 was so invested as to register little shrinkage due to market values.

The company owns approximately 171 acres over one-half a mile along the main break at Kirkland Lake. This property has been developed to a maximum depth of 3,075 ft. with sinking well advanced to an immediate objective of 3,950 ft.

Broken ore reserves were last shown at a value of $6,850,000 but this does not truly reflect the ore indications as it is known that both its No. 1 and No. 2 main vein systems extended practically the length of the property and that the ore potentialities are greater than known in any Ontario gold mining enterprise.

Has Expanded Steadily

A steadily increasing expansion programme has been under way since operations were first started and milling facilities are currently around 2,500 tons daily with monthly recovery over $1,000,000. In the first six months of 1932 a recovery of about $6,300,000 was made—an average recovery of close to $15.75 per ton and a daily average of about 2,225 tons.

A new metallurgical practice introduced this spring is expected to decrease the tailings loss.

As a result of expansion the earnings of the company have been steadily increasing and for the fiscal year ended June 30, 1932, are close to $4 per share. In the past it has been the company's policy to disburse its earnings liberally to its shareholders, but in the immediate future it is planned that the working capital will be built up and dividends are not likely to be increased above the current rate which amounts with bonuses to $3 per share.

Although ore reserves of the company are not stated, it is known that owing to the favorable developments at depth any change in capacity in immediately succeeding years is likely to have an upward trend rather than otherwise.

The following tabulation gives a summary of production since inception of operations:

Fiscal Years:	Production Tons milled	Recovery val. per t.	Bullion prod.
1918	14,948	$24.73	$ 369,680
1919	11,907	24.73	294,514
1920	18,889	25.61	483,702
1921	21,681	21.22	460,186
1923*	36,825	22.63	883,664
1924	24,223	23.97	578,242
1925	96,838	18.72	1,812,495
1926	125,676	17.79	2,235,184
1927	214,335	14.48	3,105,048
1928	237,962	15.52	3,629,318
1929	367,015	14.99	5,504,859
1930	467,648	14.06	6,576,781
1931	698,624	13.10	9,152,935
Total			$35,036,608

*18 Months.

Production Costs Per Ton

	1931 $	1930 $	1929 $
Develop. & explor.	1.40	1.78	2.33
Mining	2.45	2.71	2.58
Milling	.99	.99	1.22
Taxes & marketing	.72	.58	.61
Gen. & adminis. expense	.25	.37	.20
Total oper. costs	5.81	6.43	6.94
Deprec. & write-offs	.87	1.09	1.26
Total costs per ton	6.68	7.52	8.20

In April a subsidiary company was formed in which Wright-Hargreaves has a 25 per cent interest to re-treat the tailings deposited in Kirkland Lake. Plans are being prepared for an initial plant capacity of 1,000 tons daily employing the same metallurgical treatment that was introduced early this year at Lake Shore.

The outlook in immediately succeeding year is for sustained or higher earnings, reflecting greater economies and lower costs which will have the effect, after providing an increased working capital, of making available funds for higher dividends.

Common Shares — Par, $1. Outstanding, $2,000,000.

Price Range:	High	Low	Latest
*1932	30.25	24.90	30.00
1932	29.95	20.00	....

Earned on common: Estimated for 1932, $4; 1931, $2.25; 1930, $1.56; 1929, $1.27.

Dividend rate: $2. Extra dividend of 50c. paid June, 1932. Yield 8.47%.

Listed: Toronto Stock Exchange; Montreal, New York and Boston Curbs; Standard Mining, Toronto.

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*To July 25.

SYLVANITE GOLD

Extensive Promising Area Being Aggressively Explored at Depth

Sylvanite Gold Mines was incorporated in 1913 and is the most recent property to enter the ranks of the gold producers in the Kirkland Lake area. Production was started in midsummer, 1927, with a 200-ton mill, which has been gradually stepped up to a current capacity of around 265 tons per day. Production and earnings have been steadily increasing the first quarter of 1932, amounting to $213,785 from 23,265 tons of ore treated or an average recovery of $9.21 per ton.

The following is a tabulation of production since commencement of operations:

Production in Fiscal Years Ended March 31

Year	Tons Milled	Recovery Per Ton	Bullion Recovered
1928	57,341	$10.62	$ 609,181
1929	70,838	10.41	737,573
1930	75,408	9.16	690,400
1931	83,084	10.08	837,014
1932*	94,276	9.47	892,562
			$3,766,730

*In addition there was $65,542 exchange premium on gold bullion.

Production Costs Per Ton of Ore Years Ended March 31

	1932 $	1931 $	1930 $	1929 $
Dev. & explor.	1.96	2.56	2.74	2.41
Mining	3.03	3.22	3.14	3.31
Milling	1.19	1.28	1.33	1.33
Taxes	.24	.09	....	.14
Gen. adminis. & exp.	.79	.67	.93	1.05
Total op. costs	7.21	7.82	8.14	8.24
Deprec.	.84	.94	.99	1.06
Total costs per ton	8.05	8.76	9.13	9.30

The company's property, consisting of five claims situated immediately east of the Wright-Hargreaves property on the main break of the producing section of Kirkland Lake, has provided production from two general areas, one on the section north of Wright-Hargreaves and the other to the east. A shaft to the 2,000 foot horizon serves the north section, while a shaft to the 3,000 foot horizon serves the east section. At the present time an extensive exploration for ore is being conducted on the lower levels, recently opened up. Together with exploration of the upper levels, this is providing interesting new territory, previously untouched, for prospecting.

The broken ore reserves have been steadily increasing, the last statement showing 81,544 tons. This, however, does not truly reflect the ore potentialities of the property, and it is anticipated that the new development work will enjoy success similar to that enjoyed on the adjoining Wright-Hargreaves property.

The success met with in the development work will govern the future expansion programme of the company.

Dividends, which were inaugurated in December, 1930, at 4 cents a share payable semi-annually have been maintained with a bonus of ½ cent per share with the last disbursement.

The financial position of the company remains adequate for the magnitude of the property with current assets of $558,592, as against current liabilities of $68,327, shown on balance sheet dated March 31, 1931.

Common Shares — Par, $1. Outstanding, $3,299,500.

Price Range:	High	Low	Latest
*1932	.75½	.39	.75
1931	1.14	.48	...

Earned on common: Year end. March 31, 1932, $0.07; 1931, $0.04; 1930, $0.01.

Dividend rate: 4c. per annum. Extra ½c. paid June 30, 1932.

Listed: Standard Mining, Toronto; Vancouver Stock Exchange (unlisted section).

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*To July 25.

CONSOLIDATED SMELTERS

Low Base Metal Prices Cause Dividend to be Passed But Company is Fortified With Diversified Interests of Great Importance

The Consolidated Mining & Smelting Co. of Canada is controlled by the Canadian Pacific Railway. It operates as a mining, smelting, refining, exploration and holding company and conducts one of the principal mining and metallurgical enterprises in Canada. Operations are centred about Tadanac, B.C., where it conducts a customs concentrator, smelter and refiner treating its own ore as well as ore from the producers in the area. At Kimberley, B.C., is the company's 6,000 ton daily capacity lead and zinc concentrator treating the ore from the Sullivan mine—one of the largest lead-zinc producers in the world, whose output in 1931 was approximately 9 per cent of the world output of lead and zinc. While the company's principal production comes from its lead and zinc-silver output from the Sullivan mine, it is interested, principally through subsidiaries, in mining and exploration in all of its phases.

In 1930 the company inaugurated commercial production of chemical fertilizers and laid the foundation of a new industry through the investment of approximately $10,000,000 for a huge chemical plant primarily to serve the Prairie Provinces.

Has Many Plants

At Tadanac the various units of the company's plant include the following:

A customs concentrator of 2,400 tons daily capacity; a lead smelter with a capacity from 1,500 to 1,750 tons of ore daily; a lead fuming plant and a lead refinery of 470 tons daily capacity; a zinc reduction plant capable of treating 900 tons of zinc concentrates daily; a zinc fuming plant and a zinc refinery with a capacity of 400 tons of electrolytic zinc.; cadmium plant of one ton daily capacity; precious metals refinery having a capacity of 20,000 oz. silver and 2 oz. gold per month; a hydrofluosilitic acid plant; a sulphuric acid plant, having a capacity of 375 tons of sulphuric acid daily; a fertilizer plant equipped with electrolytic hydrogen, oxygen and nitrogen plant, a liquid air plant, ammonia, ammonium sulphate, phosphoric acid and phosphate plant.

In addition, there are a 250-ton daily capacity copper smelter, a 60-ton daily capacity electrolytic copper refinery and a 60-ton wire bar plant, all of which are closed down owing to lack of copper production in the area. There are as well a 600-ton daily capacity concentrator at Kimberley, a 500-ton daily capacity silver-lead concentrator at Moyie, B.C., closed since 1929, and a 100-ton daily capacity concentrator near Grand Forks, B.C., for treating fluorite.

Has 225,000 h.p. Available

Electric power for the company's operations is supplied through its subsidiary, the West Kootenay Power Co., having an installed capacity of approximately 225,000 h.p. in its various plants. In 1931 the Kimberley and Tadanac plants of the company treated 1,647,773 tons of ore producing 277,685,229 pounds of lead, 202,247,767 pounds of zinc, 6,572,119 oz. silver, 24,968 oz. gold, 323,139 pounds of tadmium, 93,115 pounds of bismuth. Since the commencement of production in 1894 a total 19,754,450 tons of ore have been treated.

Subsidiaries of the company include the Buena Vista Mining Co., Coast Copper Co., George Gold Mining Co., Iva Fern Mines, Northern Lead-Zinc, Solar Development Co., Sunloch Mines and the West Kootenay Power & Light Co.

Interests in other companies include the Amalgamated Metals Corp. and A. Cameron & Co., English marketing organization. International Nickel Co. of Canada, Ontario Refining Co., and Sherritt-Gordon Mines, as well as minority interests in many smaller organizations.

The exploration department of the company is the largest of any in the Dominion and it includes a fleet of airplanes used in prospecting throughout the Dominion. Annually numerous properties are examined and development work done. In 1930 and 1931 large groups of claims were staked in the Great Bear Lake area, but on these or other holdings of the company sufficient work has not yet been done to determine mine-making possibilities.

From an investor's viewpoint, Consolidated Smelters represents a diversified effort in undertakings of magnitude which are being rapidly expanded. The company is equipped as never before to produce increased amounts of both base and precious metals at lower cost and given a return of normal base metal prices is fortified with zinc-lead-silver bearing ore in the Sullivan mine for decades to come.

The newly developed fertilizer section of the company's business is organized under scientific direction and only awaits the appreciative knowledge of a large group of potential users to become one of the principal phases of the company's business.

The company is in a unique position with only one class of security outstanding, namely, 563,480 common shares of $25 par value.

Dividends Not Earned

Dividends for the first time in the past decade were not entirely earned in 1930 or 1931, although the earnings in 1931 before write-off were considerably in excess of the cash portion of the dividends disbursed.

The working capital of the company declined from $13,786,509 in 1930 to $8,199,117 at the end of 1931, partially due to the company's construction programme and partially due to the company's disbursing of dividends in 1931 when not entirely earned.

Over a period of years the company has been a well-managed, profitable enterprise paying high yield in dividends on its capitalization, but in 1930 dividends were reduced from $2.50 per share plus $10 bonus to $2.50 per share in 1931 with one-tenth of a share stock bonus.

To preserve its cash position dividends normally due July 15, 1932, were passed.

At current prices the shares of the company are selling at about its plant investment in recent years.

The Canadian Pacific Railway has been continuously increasing its holdings of the company's shares and on December 31, 1931, held 291,034 shares. Most of the remaining stock is in the hands of investment trusts, estates and other organizations for permanent investment and it is understood that the floating supply of the common stock on the market is less than 85,000 shares.

Common Shares — Par, $25. Outstanding, 536,184 shs.

Price Range:	High	Low	Latest
*1932	$75.00	$25.00	....
1931	188.25	64.00	....

Earned on common: 1931, nil; 1930, $4.43; 1929, $17.35.

Listed: Montreal and Toronto Stock Exchanges, Vancouver Stock Exchange.

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*To July 25.

PARKHILL GOLD

Early Production Lends Hope for Long Untried Prospect

Parkhill Gold Mines was incorporated in 1929 by a Montreal group headed by Sir Thomas Tait to develop a gold property in the Michipicoten area, Ontario. Following incorporation, the property was rapidly developed and in midsummer, 1931, a 50-ton mill was placed in operation.

The vein system on the property has been traced for some 2,800 ft., high but erratic gold values occurring in quartz lenses. A two-compartment shaft has been sunk to a depth of 600 ft. From commencement of production on July 10, 1931, to December 31, last, the government reports show gold recovery of $68,811 from 9,082 tons of ore treated—an average recovery of $7.75 per ton. In the first three months of 1932 the recovery was $31,982 from 4,401 tons treated or an average recovery of $7.26 per day per ton.

Owing to the success met with in the development work the officials have under consideration plans to increase mill capacity.

Common Shares — Par, $1. Outstanding, $2,253,956.

Price Range:	High	Low	Latest
*1932	.10	.07	.08
1931	.25	.20	....

Listed: Montreal Curb (unlisted section).

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*To July 25.

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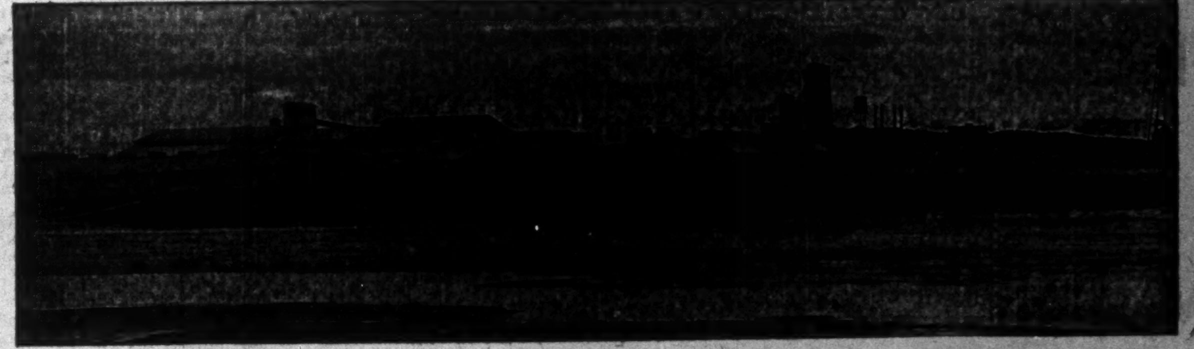

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NORANDA MINES

One of World's Lowest Cost Copper Producers and Canada's Third Greatest Gold Producer

Noranda Mines, incorporated in 1922, is Canada's premier copper-gold producer which has pioneered the mining development of Northwestern Quebec. While it is generally regarded as a copper producer, it is Canada's third greatest producer of gold and the value of gold output is in excess of its copper output which ranks second only to that of the International Nickel as the largest in the Dominion.

The company is in the fortuitous position of having ore bodies that lend themselves to flexibility of mining, permitting at will curtailed copper output and increased gold production according as copper prices dictate. This gold content of the company's ore makes it one of the lowest cost copper producers in the world when credit is given for the gold.

Sells Copper in U. K.

In order to control the marketing of its copper output the company early in 1931 inaugurated refining operations at its subsidiary, the Canadian Copper Refiners, at Montreal East. It also acquired an interest in the Canada Wire & Cable Co. which has a copper rod mill adjoining the refinery and therefore is able to control an important part of its output from ore to fabrication. The balance of its refined copper production is entirely sold in Great Britain where connections have been made that are taking all surplus production of the refined metal.

The company's property at Noranda in Northwestern Quebec has been in production since late in 1928 and has been added to until at present equipped with a 2,000 ton smelter, a 1,000 ton daily capacity concentrator which is being increased to 2,000 tons by the end of the year, also a complete modern affiliated mining plant and townsite all operated by electric power purchased from the Canada Northern Power Corp.

$700,000 Monthly in Gold

Currently the company's production is around 5,000,000 pounds of copper and $700,000 in gold per month.

The following is a tabulation of production since the commencement of operations:

	1931	1930	1929
Ore con., tons	817,792	191,856	51,689
Ore smelted tons	765,544	734,072	428,221
Copper prod. lbs.	62,859,355	75,509,373	51,223,115
Gold prod., oz.	253,363	117,393	68,732
Silver prod., oz.	558,801	691,920	334,279
Metal recov. $	10,506,233	11,967,472	10,947,290

A feature of Noranda's developments in recent months has been the rapid addition to its reserves above the 2,450-ft. level, the lowest level developed. The indicated ore reserves are now estimated at 17,272,500 tons containing 1,101,324,000 pounds of copper and $85,000,000 in gold, the greatest gold ore reserves of any published by a Canadian mine.

During the first three months of 1932 earnings per share amounted to 48 cents after reserves, or approximately $1,000,000.

It is not anticipated that these earnings will increase throughout the balance of 1932, but early in 1933 the concentrator capacity will be doubled which will provide facilities for increasing its gold output.

There is no fixed dividend policy owing to the uncertain trend in copper prices, the last dividend being 50 cents per share, paid on December 29, 1931.

Noranda is active in exploration work and has numerous interests in partially developed mining enterprises including Waite-Ackerman-Montgomery, Aldermac, and is presently actively prospecting claims in the Pascalis area.

Strong Liquid Position

The company possesses a strong liquid position and is now fortified, as never before, to increase its copper output to the advantage of increased earnings when prices for copper make it expedient.

Common Shares — Outstanding, 2,239,722 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	19.80	12.50	17.00
1931	29.65	11.75	.....

Earned on Common: 1931, $1.06; 1930, $1.72; 1929, $1.9½.

Dividend rate: 50c. paid June 30, 1932.

Listed: Standard Mining, Toronto; Montreal Curb; New York Stock Exchange; Vancouver Stock Exchange (unlisted section); Chicago Board of Trade (unlisted trading privileges).

*To July 25.

KIRKLAND LAKE GOLD

Pioneering Deep Development of Camp With Success in New Work

Kirkland Lake Gold Mining Co. was incorporated in 1915 and is the most westerly producer on the main break at Kirkland Lake, where it has holdings totalling 172 acres embracing the former Chaput-Hughes and Grozelle properties.

The property has been under continuous development and production since 1919 with the exception of 1925 and is pioneering the deep development of the camp being the deepest gold mine in Canada.

Control of the company rests with a Toronto group headed by Dr. J. B. Tyrrell who has been directing the company's deep development programme since 1927, largely in the nature of exploration work which is proving the geology favorable to ore deposition.

About two years ago the company began to reap the benefit of its deep work when it entered the porphyry formation at a depth of around 4,000 ft. At this horizon high grade ore bodies were encountered and subsequent work has been to develop and take production while carrying on sinking operations to greater depth. While high grade ore shoots have been encountered at depth and geological formation is favorable the development work has not yet encountered the massive lenses of ore that have characterized the more central section of the camp.

As deep work progressed production steadily increased and consequently earnings. Development work has been carried out principally through a main three-compartment vertical shaft which extends to the 2,475 ft. level. Below this horizon operations are carried through a four-compartment winze to a present depth of 4,900 ft. A winze is now planned below the 4,900 ft. level. As deep working development work was continued it became evident that adjoining properties on the south assumed new importance and consequently early in 1932 the company acquired the Grozelle claim which now gives the company's holdings a length of approximately 3,000 ft. along the main break of the camp below the 5,000 ft. horizon.

Owing to the nature of the developments any estimate of ore reserves is precluded. Over $1,000,000 has been recovered from the upper horizons of the mine before the porphyry formation was encountered.

Current production is around 150 tons daily, while the average recovery in 1931 was $10.24 per ton. Operating costs amounted to $8.83 per ton.

The following is a tabulation of production since commencement of operations.

Year	Tons treated	Recovery $	Rec. per Ton $
1919	11,824	56,263	4.97
1920	40,812	286,901	7.03
1921	43,966	242,417	5.51
1922	37,480	224,396	5.99
1923	45,449	223,102	4.90
1924	8,091	46,513	5.75
1925	Nil		
1926	10,829	126,999	11.75
1927	52,648	473,673	9.00
1928	57,883	414,596	7.16
1929	53,595	352,789	5.58
1930	52,106	533,851	10.24
1931	52,628	586,251	11.14
		3,577,751	

Production Costs Per Ton of Ore Years Ended Dec. 31

	1931	1930	1929
Devel., explor., mng., mill., taxes & mktg.	7.30	8.50	6.69
Administration	.37	.33	.34
Operating costs	7.67	8.83	8.03
Depreciation	.46	....	....
Total cost per ton	8.13	8.83	8.03
Recovery per ton	11.14	10.24	6.60
Profit per ton	3.01	1.41	*1.43

*Loss.

The financial position of the company is adequate, having a working capital of $392,098 as at December 31 last. Purchase of the Grozelle-Kirkland Gold Mines early this year reduced liquid assets by about $175,000 which have been steadily increased since.

The company owns controlling interest in the Kirkland Basin Co., formed in 1931 to consolidate several claims adjoining the producing section at Kirkland Lake on which tailings from various operations have been deposited. It also owns 35 per cent interest in the Ursa Major Mines, developing claims in the Great Bear Lake area.

The future of Kirkland Lake Gold Mines is tied up with finding massive ore bodies now that it has reached deep favorable formation—ore bodies that will permit increased capacity and higher earnings.

Common Shares — Par, $1. Outstanding, $5,239,123.

Price Range:	High	Low	Latest
*1932	.55	.19	.40½
1931	.93	.38	...

Listed: Standard Mining, Toronto; Vancouver Stock Exchange (unlisted section).

*To July 25.

HOLLINGER CONS. GOLD MINES

Production and Earnings at High Levels While Aggressive Exploration of Favorable Ore Areas Are Under Way

Hollinger Consolidated Gold Mines is an outgrowth of the predecessor company incorporated in 1910 by N. A. Timmins and associates, and is Canada's premier gold producer from the standpoint of ore treated, gold produced and dividends paid.

It pioneered the development of the Porcupine area and has been a continuous producer since 1910 producing gold bullion to the end of 1931 valued at $169,141,657 and disbursing over $60,000,000 in dividends to its shareholders.

In 1929 it formed an investment subsidiary known as the International Bond & Share Corp., to manage its investment interest which at that time amounted to $11,195,988. The income from its investments has formed an important source of revenue for the company, but due to market depreciation the securities held have shrunken in common with most investment portfolios.

Costs Are Down

Following a steadily increasing production programme milling facilities were increased in 1927 to a capacity of 8,000 tons per day, but this capacity was not entirely utilized, the peak production having been reached in that year when 2,178,329 tons of ore was treated. The peak value of production, however, was reached in 1925 with an output of $15,786,405. Since that time there has been a downward trend in production, the value of which in 1931 was $10,094,459 from 1,640,705 tons of ore treated. Currently operations are at high levels and for the six months ended June 30, production was valued at $5,558,507 from 842,819 tons of ore—an average of $6.60 per ton.

Operating costs have been steadily declining and in 1931 amounted to $4.48 per ton in addition to write-offs for depreciation of 5 cents per ton, (the mill being entirely written off), bringing the total cost per ton to $4.53.

The company's property, totalling approximately 560 acres adjoining the town of Timmins, Ont., has been developed to a maximum depth of 3,950 ft. with plans for exploration deeper. Developed ore reserves at the end of 1931 totalled $46,241,688 or an average of $7.41 per ton. This is sufficient for about four years' supply for current mill capacity.

In 1928 it was announced that development at depth at that time did not provide the additional ore anticipated and an intensive geological study was inaugurated by Dr. L. C. Graton, geologist of Harvard University, to determine the possibilities of ore at depth. This study has been continuously carried out since 1929 and it is anticipated that in October of this year his report will be made.

Simultaneous with Dr. Graton's study an intensive development programme has been carried out and early in 1932 encouraging success was met by cutting the downward extension of the known vein system at 3,950 ft. horizon adjacent to the Schumacher section of the company's property. Future work is to be directed toward determining the possibilities of this Schumacher area.

During the past several years this company has been able to develop sufficient new ore to replace that removed. In 1931, however, there was a decline in ore reserves from those of the previous year which is explained as due to the change in the system of mining.

The company maintains an exploration staff to search for new properties and owns a copper prospect in Kamiskotia district, Ontario, and is financing the San Antonio and Francoeur properties.

Common Shares — Par, $5. Outstanding, $24,600,000.

Price Range:	High	Low	Latest
*1932	5.70	4.24	5.25
1931	8.70	4.60	....

Earned on common: 1931, $0.71; 1930, $0.81; 1929, $0.74.

Dividend rate, 65c.; yield, 12.38%.

Listed: Standard Mining, Toronto; New York Curb; Montreal and Toronto Stock Exchanges.

*To July 19.

Liquid Position Strong

At the end of 1931 the working capital of the company was $1,927,989. In addition, it has its investment in the International Bond & Share Corp. which had a value of $3,104,440 on December 31, 1931.

Current earnings are more than covering dividend requirements and ore reserves are sufficient to ensure profitable operations in immediately succeeding years. The future of the company is tied up largely with the measure of success it enjoys in its systematic search for ore.

SISCOE GOLD MINES

Steady Progress Being Made—Expansion Awaiting Electric Power

Siscoe Gold Mines was incorporated in 1920 to develop a gold property in Northwestern Quebec consisting of 1,174 acres on Siscoe Island in Varson township and in adjoining holdings.

Production operations started early in 1929 with a 50-ton mill and inaugurating production of Quebec's first exclusive gold producer. Since that time operations have steadily expanded with the mill currently treating around 175 tons daily. Development has been carried to a depth of 600 ft. and the main shaft is now being deepened to an immediate objective of 975 ft.

Owing to the somewhat erratic nature of the ore shoots it is stated to be extremely difficult to predict with any degree of certainty how much ore has been opened up. The definitely proven ore on December 31, 1931, was 150,000 tons while developments are continually adding to this reserve.

While the property has been steadily expanding further expansion is said to be dependent upon cheap electric power being made available.

For the three months ended March 31, 1931, a high record production was established with a recovery of $281,746 from 15,565 tons of ore treated or an average recovery of $18.10 per ton. The following is a tabulation of production since commencement of operations:

Production Summary

Year	Tons Milled	Recovery Per Ton	Bullion Recovered
1929*	29,836	$10.30	$ 307,404
1930	33,744	10.88	367,266
1931	55,675	13.35	742,812
			$1,147,482

*Production commenced Jan. 4.

Production Costs Per Ton Milled Years Ended Dec. 31

	1931 $	1930 $	1929 $
Devel. & explor.	1.41	2.87	2.10
Mining	2.96	3.08	3.03
Milling	1.41	2.24	2.53
Taxes & marketing	.69	.27	.09
General & adminis.	1.09	1.41	1.65
Total oper. costs	7.56	9.87	9.40
Depreciation	1.21	.94	.75
Total cost per ton	8.77	10.81	10.15

The company's operations are largely pioneering the eastern extension of the Northwestern Quebec copper-gold belt and the success met with has been largely responsible in attracting further attention to the area.

Operating costs in 1931 amounted to $7.56 per ton while depreciation added another $1.21 per ton or a total cost of $8.77 per ton.

The company is amply financed through the optioning of a block of treasury shares by N. A. Timmins and associates. As at December 31, 1931, the company had current assets of $381,584 with current liabilities of $27,876 giving a net working capital of $353,708.

An initial dividend of four cents per share was paid on March 31, 1932. The company has no established dividend policy, but it is apparent that it is the intention of officials to disburse earnings to shareholders as fast as possible without impairing the company's financial position.

The immediate outlook for the company is regarded as favorable and since it is said to be meeting with success in its ore development. The extent of the success met with in its exploration work and proving up ore will govern the company's future expansion programme and earnings.

Common Shares — Par, $1. Outstanding, $4,750,000.

Price Range:	High	Low	Latest
*1932	.77½	.50	.77
1931	.71	.36	...

Earned on common: 1931, $0.066; 1930, $0.001; 1929, $0.001.

Dividend rate: 4c. each paid Mar. and June, 1932.

Listed: Standard Mining, Toronto; Montreal Curb; Vancouver Stock Exchange (unlisted section).

*To July 25.

MINING CORP.

Subsidiaries and Investment Interests Show Great Strength

The Mining Corporation of Canada has an enviable record as a silver-cobalt producer at Kirkland Lake but its mining activities at Cobalt are now curtailed and confined to taking the remaining profitable production of silver. It is significant, however, in its curtailed operations that the first six months production in 1932 has shown a greater output of silver than in several years past. This is due to ingenious methods of lowering of tailings deposited in Cobalt Lake to expose silver veins and indications are that further substantial production will be made available by this lake lowering.

Milling operations were closed down in 1931 and the company's principal activities are now in exploration and through its subsidiaries, notably the Ashley Gold Mining Corp. developing a gold property in the Matachewan area which will be in production this fall.

Dividends were passed in December, 1929 after distributing $7,572,957 between 1914 and 1929.

While the Ashley is regarded as the company's most immediately important subsidiary, it controls or is interested in promising base metal properties that given higher prices for base metals would have an important bearing on the company's income. These investment holdings include substantial blocks in the Base Metals Mining Corp., the Hudson Bay Mining and Smelting Co., and the Normetal Mining Corp.

There is a large investment interest in the company in England and it is managed by a prominent board of directors comprising Canadians and Englishmen headed by J. P. Watson as president.

Common Shares — Outstanding, 1,660,050 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	1.53	.58	1.45
1931	2.84	1.10	....

Earned on common: 1931, $0.209; 1930, nil; 1929, $0.26.

Listed: Standard Mining; Toronto and Montreal Curb; New York Curb; Chicago Stock Exchange; London, Eng. Stock Exchange.

*To July 25.

Huronian Mining & Finance Co.

Huronian Mining & Finance Co. is a reorganization and consolidation effected in 1929 of the Huronian Belt Co. and the Pioneer Mining Corp., formerly controlled in England, and operates as a holding and development company with mining interests throughout Canada.

While the company is interested in or controls several subsidiary operations, it's most important mining effort is the Vipond Consolidated Mines. The company's principal income is from its investments since upon incorporation its most important subsidiaries purchased shares in the parent company for cash providing funds for its investment programme.

From incorporation in 1929 to March 31, 1931, the net profit of the company after all expenses was $5,318. Its liquid assets at that time, including mining company shares at cost, amounted to $859,851 as compared with current liabilities of $16,159.

The future of the company rests upon some of its subsidiary interests coming through as profitable mines or from its investments proving important. Of the companies controlled, Vipond alone is a producer, but at present not on a profitable basis. At one time the company was active in exploration work, but this has been curtailed to a minimum with no work in progress of major importance.

Common Shares — Outstanding, 2,013,006 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	.20	.15	.15
1931	.40	.20	...

Earned on common: Oct. 25, 1929 to March 31, 1931, $0.0026.

Listed: Standard Mining, Toronto.

*To July 25.

Huronian Mining and Finance
Co., Limited

80 King Street West. - - Toronto, Ontario

with which are associated

The Keeley Silver Mines Limited
(No Personal Liability)

Vipond Consolidated Mines Limited
(No Personal Liability)

McINTYRE

New Era Inaugurated With Completion of Centralization Plan

McIntyre Porcupine Mines was incorporated in 1911 to develop a gold property in the Porcupine district, Ontario, adjoining the Hollinger Mine. The early history of the company was a struggle to meet expenses, but through a policy of acquiring adjacent territory that expanded its operations it was able in 1931, after a 20 years record as a producer, to centralize its operations with a new 2,000 ton capacity mill across the lake from its old plant. Today it has what is regarded as the finest surface plant of any gold mine in the world.

The company's holdings consist of approximately 680 acres, one and three-eighth miles along the strike of the vein and adjoining Hollinger. These holdings have been developed through a main production shaft to a depth of 3,875 feet. Ore developments in the vicinity of the main production shaft have been such as to indicate a new lease of life for the company which has been further accentuated by the exploration of what is known as the Platt Veteran section of the property, at depth, which is responding to development in the most satisfactory manner.

The proven ore reserves as at the end of the company's fiscal year, March 31, 1932, were given as 2,562,563 tons, assaying $7.75 per ton. This, however, does not truly reflect the ore potentialities of the property. The fact that the company built a complete new plant of the most modern construction is evidence of the ore possibilities. It is the policy of the company not to carry development expenditures in favorable areas beyond certain economic limits.

During past years, production has been steadily advancing, with each successive year showing an increase. Following is a tabulation of production since inception of operations:

Summary of Production

Periods Ending:	Tons Milled	Recovery Per Ton	Total Value
1912	14,500	$5.25	$ 76,166
1913	31,979	7.05	225,752
1915*	85,654	8.39	718,332
1916	105,758	7.38	779,991
1917*	195,307	9.55	1,864,914
1918	178,327	9.61	1,714,258
1919	179,874	9.29	1,671,646
1920	188,835	11.02	2,080,178
1921	171,916	11.08	1,904,326
1922	193,971	9.99	1,937,105
1923	240,615	9.35	2,249,742
1924	360,140	9.14	3,291,178
1925	400,259	8.86	3,546,638
1926	460,909	8.25	3,804,775
1927†	385,409	7.67	2,957,061
1928	520,460	7.66	3,987,635
1929	538,165	7.83	4,212,625
1930	550,495	8.05	4,433,627
1931	558,115	8.30	4,633,141
1932	655,030	7.63	4,997,462
	6,015,718	$8.49	$51,086,551

*15 months. †9 months.

Production Costs Per Ton Years Ended March 31

	1932 $	1931 $	1930 $
Devel. & explor.	0.64	0.91	0.85
Mining	2.37	2.30	2.27
Milling	0.97	1.01	.93
Taxes	0.40	.28	.22
Gen. & admin. exp.	0.31	.41	.37
Total oper. costs	4.69	4.91	4.64
Depr. & write-offs	.69	.72	.93
Total costs per ton	5.38	5.63	5.57

Earnings have been steadily increasing and dividends were increased from $1 to the rate of $1.50 per share with disbursement payable on September 1 next. Total dividends paid in fiscal years have amounted to $10,265,267.

As evidence of increased earnings in the future the quarterly statement for the three months ended June 30, 1931, showed net profit of 70 cents per share reflecting a full benefit of the centralized operations of the new plant and increased production.

Common Shares — Par, $5. Outstanding, $3,990,000.

Price Range:	High	Low	Latest
*1932	21.35	14.70	21.25
1931	26.50	13.95	.....

Earned on common: Year end. March 31, 1932, $1.98; 1931, $1.62; 1930, $1.44.

Dividend rate: $1.50. Yield, 7.53%.

Listed: Standard Mining, Toronto; Toronto Stock Exchange; Montreal and New York Curbs; Chicago Board of Trade.

*To July 25.

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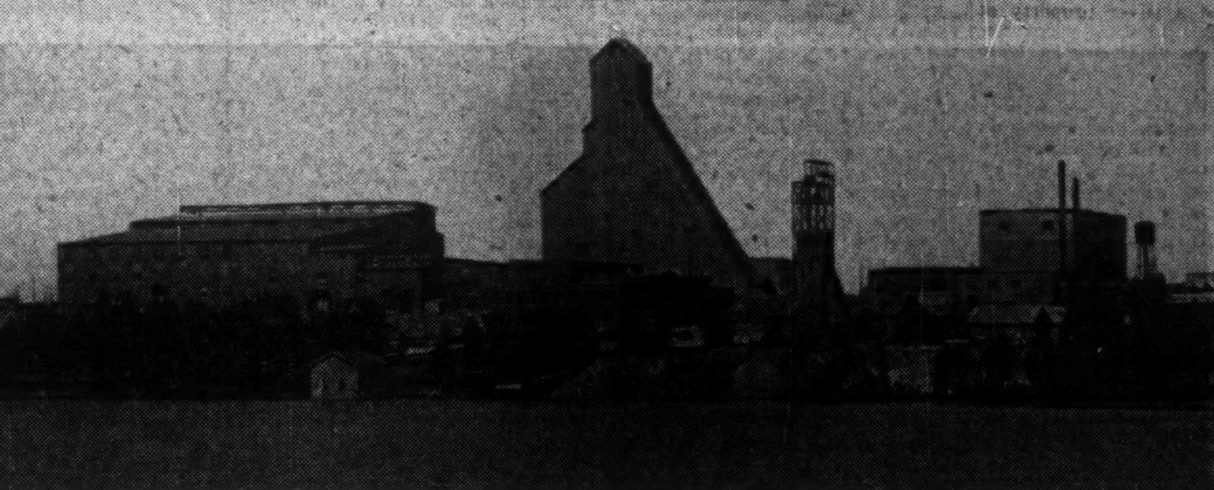

McIntyre Porcupine Mines
Limited
(No Personal Liability)
Incorporated under the laws of the Province of Ontario

CAPITAL STOCK
Authorized: 800,000 shares, par value $5.00 .... $4,000,000
Issued: 798,000 shares, par value $5.00 .... $3,990,000

DIRECTORS AND OFFICERS
J. P. BICKELL, *President,* TORONTO, ONT.
W. J. SHEPPARD, *Vice-President* WAUBAUSHENE, ONT.
J. B. TUDHOPE, *Director* ORILLIA, ONT.
D. H. McDOUGALL, *Director* STELLARTON. N.S.
STRACHAN JOHNSTON, *Director* TORONTO, ONT.
E. D. FOX, *Secretary*
BALMER NEILLY, *Treasurer*

Transfer Agents
The Toronto General Trusts Corporation—Toronto
The Equitable Trust Company of New York

Registrars
The Trusts and Guarantee Company Ltd.—Toronto
The Chase National Bank—New York

Auditors
GUNN, ROBERTS & COMPANY, *Chartered Accountants*
TORONTO

General Manager
R. J. ENNIS
SCHUMACHER, ONT.

PRODUCTION SINCE THE COMMENCEMENT OF OPERATIONS IN 1912

Date	Period	Tons Milled	Value per ton	Gross Value	Recovery per ton	Total Value
1912	12 months	14,500	$ 7.00	$ 101,555.16	$ 5.25	$ 76,166.38
1913	12 months	31,979	7.85	251,314.45	7.05	225,752.25
Jan. 1, 1914 to Mar. 31, 1915	15 months	85,654	8.87	760,232.16	8.39	718,331.71
Apr. 1, 1915 to Mar. 31, 1916	12 months	105,758	7.71	815,345.49	7.38	779,990.94
Apr. 1, 1916 to June 30, 1917	15 months	195,307	10.00	1,954,793.28	9.55	1,864,914.28
July 1, 1917 to June 30, 1918	12 months	178,327	10.05	1,793,197.55	9.61	1,714,258.00
July 1, 1918 to June 30, 1919	12 months	179,874	9.78	1,759,627.40	9.29	1,671,646.03
July 1, 1919 to June 30, 1920	12 months	188,835	11.52	2,175,891.31	11.02	2,080,178.44
July 1, 1920 to June 30, 1921	12 months	171,916	11.67	2,005,672.00	11.08	1,904,326.36
July 1, 1921 to June 30, 1922	12 months	193,971	10.69	2,074,088.40	9.99	1,937,105.07
July 1, 1922 to June 30, 1923	12 months	240,615	9.96	2,397,303.00	9.35	2,249,741.63
July 1, 1923 to June 30, 1924	12 months	360,140	9.69	3,488,863.00	9.14	3,291,178.22
July 1, 1924 to June 30, 1925	12 months	400,259	9.43	3,774,068.00	8.86	3,546,637.52
July 1, 1925 to June 30, 1926	12 months	460,909	8.72	4,020,326.00	8.25	3,804,774.90
July 1, 1926 to Mar. 31, 1927	9 months	385,409	8.08	3,113,500.07	7.67	2,957,060.97
Apr. 1, 1927 to Mar. 31, 1928	12 months	520,460	8.09	4,207,553.00	7.66	3,987,634.94
Apr. 1, 1928 to Mar. 31, 1929	12 months	538,165	8.24	4,433,378.00	7.83	4,212,624.82
Apr. 1, 1929 to Mar. 31, 1930	12 months	550,495	8.46	4,657,188.00	8.05	4,433,626.45
Apr. 1, 1930 to Mar. 31, 1931	12 months	558,115	8.84	4,934,122.00	8.30	4,633,140.73
Apr. 1, 1931 to Mar. 31, 1932	12 months	655,030	8.00	5,239,822.90	7.63	4,997,461.80
		6,015,718	8.95	53,957,841.17	8.49	51,086,551.44

EXECUTIVE OFFICES
15 KING STREET WEST — TORONTO

LOCATION OF MINES, PLANT AND HEAD OFFICE
SCHUMACHER, ONTARIO

FALCONBRIDGE

Operating to Capacity With Sales Expanding—Profits Evident

Falconbridge Nickel Mines was incorporated in 1928 to develop a nickel-copper property consisting of approximately 8,000 acres in Falconbridge and Garson townships, Sudbury area, Ontario, where development work has been carried to a depth of 1,000 ft. and 2,725,382 tons of ore assaying 2.31 per cent nickel and .94 per cent copper had been indicated or proven up to December 31, 1931.

Early in 1930 a 325-ton daily capacity mill and smelter was completed and placed in operation and has been operating to capacity. The company's output of nickel now places it second only to the International Nickel Co. in world importance as a nickel producer.

The nickel-copper matte produced at the company's smelter is shipped to a refining subsidiary in Norway producing refined nickel and refined copper which has to depend upon European markets for its principal sales. The general curtailment of industrial activity in Europe has forced the company to concentrate its sales efforts in the United States and officials report that new customers in the United States assure its entire output being marketed.

Smelter is Active

The smelter at Sudbury in 1931 produced 4,363 tons of nickel-copper matte containing 2,569 tons of nickel and 1,033 tons of copper.

No income statement was published for 1931, but indications were that approximately $10,500 net in profits remained after write-offs of $225,000. At the end of 1931 stocks of refined metals were high, but officials state these are being liquidated as orders for the new customers, particularly in the United States, are filled.

Production operations in the first six months of 1932 were at new high levels.

The working capital of the company at the end of 1931 was $1,213,981, principally made up of inventories. In March the company's cash position had increased to over $250,000.

The future of the company is tied up largely with its ability to dispose of its products, principally nickel, and while its production is relatively small as compared with International Nickel, indications are that it is enjoying at the present time a considerable demand that will have the effect of liquidating its inventories and keeping its plant at capacity operations.

Common Shares — Outstanding, 3,195,055 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	1.24	.47	1.15
1931	1.70	.75	....

Listed: Standard Mining, Toronto; Montreal Curb; Vancouver Stock Exchange (unlisted section).

*To July 25.

NIPISSING MINES

Interest Centres About Its Investment in Beattie Development

Nipissing Mines Co., through its subsidiary Nipissing Mining Co. has operated a silver property at Cobalt, Ont., since 1904 which has the distinction of producing more silver and paying greater dividends than any silver mining enterprise in Canada. In March, 1932, mining and milling operations were suspended owing to depletion of the profitable known ore and the low price of silver. The company's activities now are centred about exploration work, chiefly its minority interest in the Beattie Gold Mines, in Quebec.

Between 1906, when dividends were inaugurated, and April, 1931, disbursement when they were passed, $29,940,000 were disbursed to shareholders.

At the Cobalt property a new exploration shaft is being sunk on an unexplored section of the holdings, but aside from this no other work is being conducted.

As at December 31, 1931, the company had current assets valued at $3,700,743 as against current liabilities of $425,472. It has been pursuing the policy of storing its silver production in recent months and the value of the bullion on hand is given as over $1,000,000. The balance of its investments are principally in government, railway and industrial bonds.

Under terms of an agreement with Ventures Ltd., Nipissing undertakes to principally finance the bringing of the Beattie property into production if and when all options are completed and will give it 1,900,000 shares out of the 5,000,000 shares authorized. In addition, Nipissing has loaned Ventures $280,000 on approved security.

Future interest in the company rests principally with its investment in the Beattie Gold Mines, which apparently is a large low grade gold deposit. Shaft-sinking is under way preparatory to inaugurating production around 800 tons daily in 1933.

Common Shares — Par $5. Outstanding, $6,000,000.

Price Range:	High	Low	Latest
*1932	1.15	.50	1.00
1931	1.90	.80	....

Earned on common: 1931, $0.07½; 1930, $0.29; 1929, $0.30.

Listed: Toronto Stock Exchange; Standard Mining, Toronto; Montreal Curb; New York Curb.

*To July 25.

GRANADA GOLD

Gradual Expansion Out of Profits is Being Made

Granada Gold Mines was incorporated in 1931 as a reorganization of the Granada Rouyn Mining Co., formed by R. C. Gamble in 1927 to pioneer the development of a gold property consisting of approximately 6,330 acres in Rouyn township, Quebec.

Following a favorable development programme, currently at a depth of 1,025 ft., production operations were started in June, 1930. In March, 1931, an expansion programme was completed bringing the mill up to 100 tons capacity. From the commencement of operations to November, 1931, over 30,000 tons of ore had been treated producing $350,000 in gold. Current operations are producing around $30,000 in gold per month giving a profit sufficient to carry on all development work and pay for mill expansion, currently estimated at $10,000 per month.

Now that milling facilities have been increased and electric power provided it is planned to prospect its large holdings extensively, showing the same favorable geological formations as are at present developed. The success of this undertaking will be the measure for future expansion.

Common Shares — Par, $1. Outstanding, $800,000.

Price Range:	High	Low	Latest
*1932	1.25	.50	.85
1931	2.30	1.09	...

Listed: Standard Mining, Toronto; New York Produce Exchange.

*To July 25.

CENT. MANITOBA

Work in Past Year Turns Tide Into Profitable Operation

Central Manitoba Mines was incorporated in 1926 to develop a gold prospect consisting of approximately 1,500 acres located 125 miles northeast of Winnipeg in Manitoba in what is known as the Central Manitoba area. The company was originally controlled by an English group connected with Anglo-Canadian Exploration, which owns a large block of the company's shares. John Taylor & Sons of London, England, took over the management of the company in 1927 and erected a 50-ton mill which has been in continuous operation producing approximately $2,000,000 in gold bullion to date. From commencement of production to April 30, 1931, an operating loss was incurred each year owing to there being insufficient ore of a commercial grade. An intensive development programme was undertaken last year and some success was met with in finding new ore, while the net operating deficit was reduced to a negligible amount.

Original operations were confined principally to the Kitchener claim which was developed to a depth of 520 ft. In 1931 the Tenne Six claims were explored with encouraging results. The ore reserves given on April 30, 1931, amounted to $111,490.

On April 30, 1932, the company had a working capital of approximately $118,000. The future of the company is tied up with its ability to prove up a substantial ore body in its newer workings that will permit of profitable operations.

Summary of Production
Years Ended April 30

Year	Tons Milled	Recovery Per Ton	Bullion Recovered
1928*	14,171	$5.81	$ 82,384
1929	52,659	10.18	509,646
1930	53,436	7.88	421,276
1931	55,051	7.44	408,903
1932		....*	496,100

*Including exchange comp.

Production Costs Per Ton
Years Ended April 30

	1931 $	1930 $	1929 $	1928 $
Devel. & explor.	4.33	....	2.63	1.97
Mining		....	3.75	7.14
Milling	2.58	....	2.50	3.46
Tax. & marketing	.12	....	.25	.24
Gen. & admin. exp.	.48	....	.84	1.73
Total oper. costs..	7.52	....	9.97	14.54
Depr. & write-offs	.74	....	.69	1.71
Total cost per ton	8.26	*10.36	10.66	16.25

*Estimated.

Common Shares — Par, $1. Outstanding, $4,586,872.

Price Range:	High	Low	Latest
*1932	.09	.04	.09
1931	.23	.03	...

Listed: Standard Mining, Toronto; Toronto Stock Exchange (unlisted section); Montreal Curb; Winnipeg Stock Exchange.

*To July 25.

VIPOND

Deeper Work Fails to Yield Ore of Importance

Vipond Consolidated Mines, incorporated in 1922, is controlled by the Huronian Mining & Finance Company. Its property consisting of 320 acres adjoining the Hollinger Mines at Timmins, Ontario, was under intermittent development and production prior to the present company starting production operations in 1924.

The following is the tabulation of production and recent costs by the present company.

Production
Years Ended July 31

Year	Tons Milled	Rec. per ton $	Total Recov. $
1924	29,783	12.73	379,075
1925	60,344	9.66	582,925
1926	64,522	8.77	565,995
1927	95,799	7.36	704,900
1928	86,727	7.46	646,896
1929	100,540	7.93	797,114
1930	113,329	7.91	896,397
1931	107,290	6.65	712,856
Total	658,334	8.30	5,286,158

In addition to the above there was a production between 111 and 1918, by the predecessor companies totalling $808,424. The Porcupine Crown section now forming part of the company's property, had a production between 1911 and 1918, by the at $2,871,816.

Production Costs Per Ton

	1931 $	1930 $	1929 $
Devel. and explor.	1.86	0.79	1.07
Mining	1.76	2.00	1.96
Milling	1.22	1.19	1.20
Market. & taxes ..	0.37	0.27	0.24
Gen. exp. & adm. .	0.64	0.68	0.79
Total oper. costs .	5.85	4.93	5.26
Deprec. & w/o	0.62	0.74	0.77
Totals costs per ton	6.47	5.67	6.03

Production has come principally from the 1,000-ft. level and it is only in the last couple of years that operations have been deepened to the 1,450-ft. horizon in order to explore the eastern contact of the Porcupine Crown porphyry at depth. Development in recent months has met with some encouragement but nothing of outstanding importance has been developed and the company has only been about able to meet operating expenses from its production. Ore reserves have been gradually diminishing, and in 1931, for the first time, no estimate was given owing to the unfinished work in hand. The outlook for the company is uncertain, unless it should be rewarded with finding ore of importance.

On July 31, 1931, the working capital of the company amounted to $854,240 including 300,000 shares in the Huronian Mining & Finance Company, purchased at a cost of $255,208.

Earnings by the company in recent years have not been sufficient to warrant dividend disbursements and only one dividend of 3c. per share in April, 1927, or $67,500 has been distributed.

Common Shares — Par, $1. Outstanding, $2,250,000.

Price Range:	High	Low	Latest
*1932	.45	.20	.35
1931	1.22	.37	...

Earned on Common: 1931, $0.027; 1930, $0.134; 1929, $0.099.

Listed: Standard Mining, Toronto; Montreal Curb; Toronto Stock Exchange; London (Eng.) Stock Exchange.

*To July 20.

TECK-HUGHES

Current Earnings Cover Dividends By Safe Margin

Teck-Hughes Gold Mines, incorporated in 1923, has developed into one of Canada's greatest gold producers after battling through and overcoming difficulties in its early existence that threatened the company with bankruptcy.

Production inaugurated in 1917 has steadily expanded and dividends inaugurated in 1926 showed disbursements at the end of 1931 amounting to approximately $18,000,000.

The following is the tabulation of production since commencement of operations:

Production
Fiscal years ending August 31

Year	Tons Milled	Value of Recovery $	Recov. per ton $
1917	6,291	48,440	7.70
1918	15,879	124,967	7.87
1919	16,907	149,875	10.27
1920	*	......	*
1921	32,634	304,792	9.34
1922	43,300	481,144	11.11
1923	34,690	981,525	28.30
1924	42,381	1,111,674	26.23
1925	48,718	924,581	18.98
1926	79,564	1,461,367	18.36
1927	114,765	2,105,545	18.35
1928	276,652	4,504,707	16.28
1929	331,150	4,889,127	14.74
1930	340,675	5,415,970	15.90
1931	396,200	5,973,120	15.08
		28,476,834	

*No statement issued.

Production Costs Per Ton

	1931	1930	1929
Develop. & explor.	$1.18	$1.43	$1.16
Mining	2.42	2.52	2.70
Milling	1.14	1.24	1.38
Taxes	0.85	0.81	0.78
General exp.	0.60	0.59	0.69
Total oper. exp.	6.19	6.59	6.71
Depreciation	0.72	0.63	0.65
Total costs per ton	6.91	7.22	7.36

The company's property embraces approximately 1,500 ft. along the main break at Kirkland Lake between the Kirkland Lake Gold Mining Co. and the Lake Shore Mines. Here an extensive development programme has been conducted to a depth of 3,600 ft. and shaft sinking is proceeding at an approximate depth of 4,300 ft. to an immediate objective of 6,730 ft. Owing to the relatively short length of the ore zone and the size of the mill, which has been steadily increased to a capacity of 1,300 tons daily, deep development proceeded at a rapid rate in order to provide an adequate ore reserve estimated as at September 1, 1931, as 645,384 tons averaging $14.28 per ton.

The capacity of the company's mill, its ore reserves, and the rapidity with which it is developing its lower horizons has caused some concern among shareholders as to the possible life of the property. This was further accentuated in 1931 by the encountering of lean horizons on the 26th, 27th and 28th levels. It is apparent, however, that the company is well fortified with ore for immediately succeeding years and that the future of the property will have a direct relation to the success met with in opening up ore at depth.

Earnings in the third quarter of the company's fiscal year, which ends August 31, were 20 cents per share, making earnings for the nine months period 54 cents per share. It has been the policy of the company to disburse dividends at as liberal a rate as possible, as a consequence the working capital of the company on August 31, 1931, the end of the last fiscal year, was shown at $2,049,421.

Common Shares — Par, $1. Outstanding, $4,797,144.

Price Range:	High	Low	Latest
*1932	5.25	3.10	4.14
1931	8.65	4.51	...

Earned on common: 1931, $0.69; 1930, $0.64; 1929, $0.45.

Dividend rate, 60c. Yield, 14.49%.

Listed: Standard Mining, Toronto; Toronto Stock Exchange; Montreal Curb; New York Curb; Vancouver Stock Exchange (unlisted section).

*To July 19.

PREMIER GOLD

Waning Output Turns Attention to Associated Interests

Premier Gold Mining Co. was incorporated in 1919 by the American Smelting & Refining Co. to develop a gold property in the Portland Canal mining division of British Columbia that has proven to be the greatest gold producer in the province, but which, due to depletion of known ore, is having its operations curtailed.

The following tabulation gives the production since inception of operations.

Production in Calendar Years
Premier Group

Year	Mined (tons)	Bullion Receipts $	Receipts per ton $
1919	488	*165,000	*338.00
1920	799	*124,000	*155.19
1921	4,356	*1,400,000	*321.40
1922	102,334	4,782,885	46.75
1923	145,665	3,252,917	22.33
1924	159,014	3,857,328	24.26
1925	168,557	3,267,214	[illegible]
1926	230,987	3,782,032	[illegible]
1927	244,172	3,737,565	15.31
1928	275,811	3,180,117	11.53
1929	266,972	2,404,980	9.01
1930	256,836	1,996,748	7.77
1931†	242,317	1,648,350	6.80

*Approximate.
†Includes Prosperity production.

The property has been developed by series of adits driven into the mountain sides and the company states that the main ore shoot is considered as bottoming slightly above the 5th level with a few shoots of profitable grade ore persisting down in the eastern end of the 6th level. The ore reserves have been steadily declining in recent years and on Dcember 31, 1931, were 253,625 tons, having a gross value of $8.61 per ton.

The declining ore reserves and production have been responsible for declining earnings by the company, which has pursued the policy of endeavoring to perpetuate itself as a mining enterprise by acquiring other interesting properties of merit. Its most important gold property now under development is the Toburn Gold Mine, formerly known as the Tough-Oakes-Burnside, at Kirkland Lake, Ont., which has been rehabilitated and plans to start production at an early date.

Common Shares — Par, $1. Outstanding, $5,000,000.

Price Range:	High	Low	Latest
*1932	.63	.32	.52
1931	.99	.40	...

Earned on common: 1931, $0.021; 1930, $0.001; 1929, $0.09.

Dividend rate: 12. Yield, 22.64%.

Listed: Standard Mining, Toronto; Montreal Stock Exchange; Toronto and New York Curbs; Standard Stock Exchange of Spokane; Vancouver Stock Exchange.

*To July 19.

PIONEER GOLD OF B. C.

Expansion Gives Bright Outlook For Company's Future

Pioneer Gold Mines of B. C. was incorporated in 1928 to further test the mine-making possibilities of a property which has been under intermittent exploration for the last 35 years, in the Cadwallader Creek area, the Lillooet mining division of British Columbia. How successful the undertaking has been is told by the steady increase in production since the present company took hold of the property. Encouraged by development in the past four years an expansion programme was undertaken which is now nearing completion and which will provide for a milling capacity of 300 tons daily.

Production by the present company was started in 1928 with a hundred ton mill, powered by its own hydro-electric development. Production to March 31, 1932, the end of the company's fiscal year, was as follows:

Production
Years Ended March 31 ... .

Year	Tons Treated	Rec. per ton	Bullion Recovered
1929	25,660*	$12.85	$179,333
1930	21,110†	10.46	162,281
1931	26,700	13.07	350,000
1932	37,234	18.28	680,798
			1,372,412

*Including 14,500 tons of tailings, giving a recovery of $3.30 per ton.
†Including 8,220 tons of tailings, giving a recovery of $3.35 per ton.

Production Costs Per Ton
Year Ended March 31

	1932 $
Exploration and devel.	4.75
Mining	
Milling	1.41
Taxes and marketing	1.88
Adminis. and gen. exp.	1.79
Operating costs	9.78
Depreciation	.53
Depletion	4.00
Total costs	14.31

Development has been carried out through adits driven into the mountain side from which shafts have been sunk to a total depth of 2,125 feet. The vein in places reaches widths from 8 to 10 ft. which maintains an average stoping width of about 3½ ft. showing ribbon like structure with high but erratic values. The estimated ore developed between the 5th and 9th levels is reported at $5,000,000.

Net profits have been steadily increasing and on April 1, 1931, an initial dividend of 3c. per share was paid, presaging an annual rate of 12c. per share which has been maintained since. Increased earnings are expected to have a direct relation to the increased production facilities now nearing completion.

Common Shares — Par $1. Outstanding, $1,751,750.

Price Range:	High	Low	Latest
*1932	4.11	3.00	3.60
1931	3.60	1.23	..

Earned on Common: Yr. end. Mar. 31, 1932, $0.12; 1931, $0.0324; 1930, $0,0044.

Dividend Rate: 12c. Yield 3.33%.

Listed: Standard Mining, Toronto; Vancouver Stock Exchange.

*To July 19.

Silver Foxes First

Silver foxes topped the list for popularity at the first day's sale of the June offering of furs by the Canadian Fur Auction Sales. Sixty-three per cent of the days offering was sold. Prices generally were unchanged from the March sale, any changes that there were were upward. Top prices for furs were: badger $20; lynx $44.50; silver fox $100 and cross fox $60.

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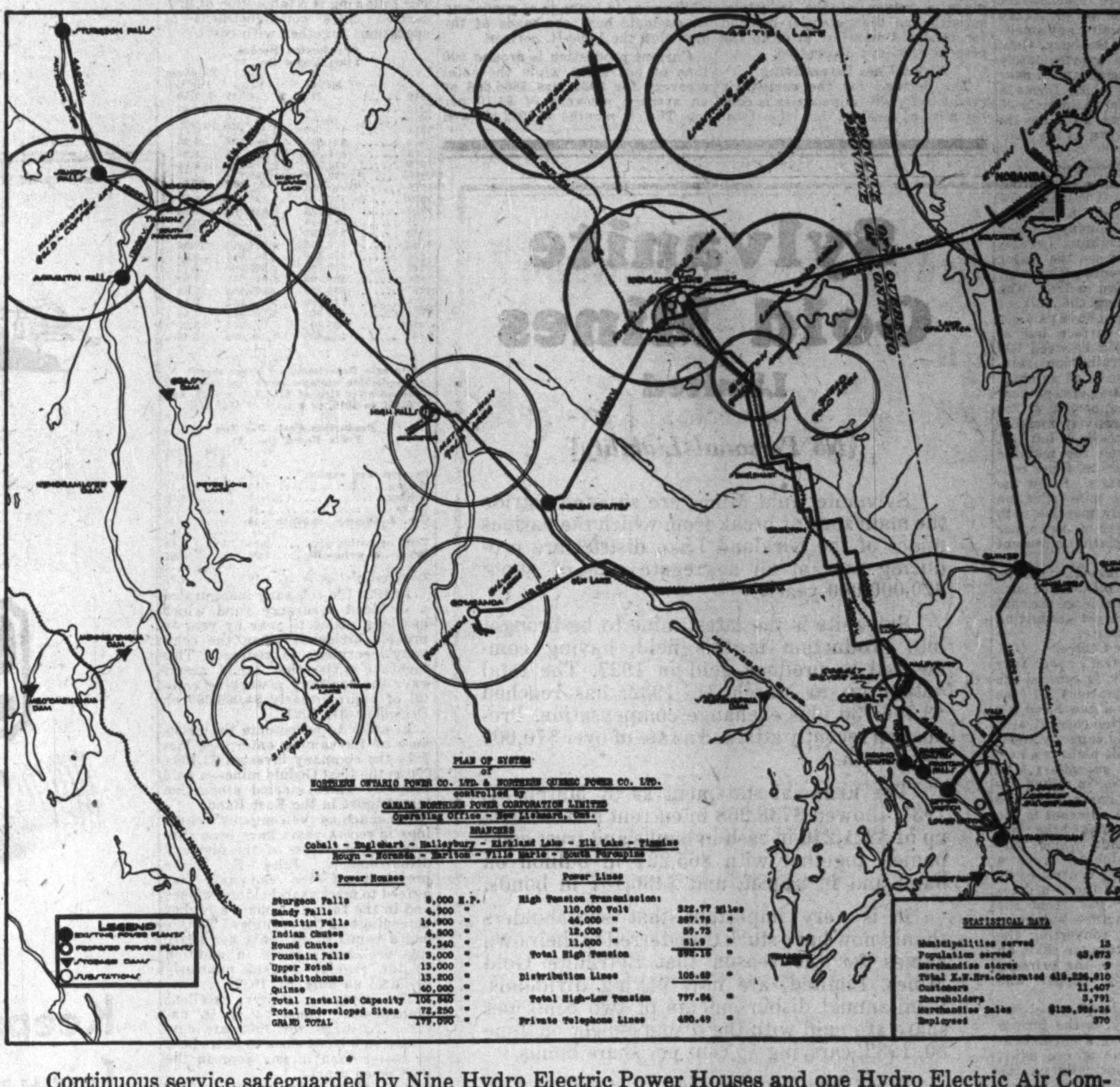
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12,000 59.73
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INTERNATIONAL NICKEL

Big Expansion Programme Provides Facilities for Production and Earnings Limited Only by Depressed Economic Conditions

International Nickel Co. of Canada, following a reorganization of its capital structure late in 1928, became the holding and operating company consolidating the activities of the International Nickel Co. and the Mond Nickel Co. From its primary mining operations near Sudbury it produces 90 per cent of the world's nickel, is Canada's leading copper producer and one of the world's leading producers of platinum.

The company, through its subsidiaries in England and United States, refines, fabricates and markets nickel, copper, copper-nickel alloys, precious metals and by-products, notably a technically controlled nickel-copper alloy produced and marketed under the registered trade name of "Monel Metal."

Through an aggressive research and development programme the company has created a market for its product — nickel — to the point where it operates the largest mining and metallurgical enterprise in the Dominion, but owing to the magnitude of its proven ore reserves, metallurgical work, refineries and fabricating plants, it has reached the status more of an industrial than a mining enterprise.

Big Programme Completed

Late in 1931 the company completed an expansion programme inaugurated seven years previous, which involved an expenditure of $50,000,000 and today its facilities rank as one of the outstanding metallurgical enterprises of the world.

This expansion programme has provided for the anticipated demand for the company's products for years to come and enables it to produce an improved product at lower cost. These facilities make possible the production of 90,000 tons of nickel, 120,000 tons of copper, 150,000 oz. gold, 3,000,000 oz. silver, 300,000 oz. metals of the platinum group.

While facilities have been made for producing this group of metals the fundamental underlying factor governing all the rest is the output of nickel and the output of nickel finds its limitations by market demands.

As a preliminary step toward the establishment of the enterprise with the facilities now existing came the development of the Frood mine, recognized as the richest known deposit in the world, with ore potentialities sufficient to adequately meet the world's demand for nickel for generations to come.

With the huge known ore resources the smelting, refining and fabricating departments of the company were built up on a par with these ore reserves to meet the increasingly diversified market for nickel throughout the world. At the site of its primary mining and smelting operations near Sudbury, Ont., the company owns approximately 100,000 acres of mineral land or near the norite contact, which forms a boat-shaped basin approximately 36 miles in length and 15 miles in width in what is known as the Sudbury Nickel range.

Huge Ore Reserves

While the Frood mine, recognized as the company's most valuable ore asset, is a development in the past seven years, the company's other holdings in the Creighton, Levack, Garson mines have been the major production sources since active mining operations started in 1887. The Frood, now supplying the bulk of the ore treated, did not have particularly encouraging surface indications, but at a depth between 600 and 700 ft. the mineralization evolved into massive lenses of sulphide ore containing about 3 per cent combined nickel and copper, with the grade of ore progressively increasing as depth was reached, until at the 1,200 ft. horizon the metallic content averages around 5 per cent in the combined metals. Below the 1,200 ft. horizon the mineralization becomes increasingly massive with a substantial increase in the copper content and in the platinum content of the ore.

At the Creighton mine the relation of the copper to the nickel is of such a constant and desirable nature that it is used for the direct production of "Monel Metal" matte.

Sudbury is Centre

At Copper Cliff, Ont., about four miles from Sudbury, is centred the main primary operations of the company, including a new 8,000 ton daily capacity flotation concentrator and a 5,000 ton daily capacity smelter. Adjacent to this plant is a new electrolytic copper subsidiary, the Ontario Refining Co., in which International Nickel has a 42½ per cent interest. Also adjacent is the acid and nitre cake plant of the Canadian Industries Ltd., which purchases sodium sulphate from a Saskatchewan deposit controlled by International Nickel and utilizes the waste sulphur gas from the smelter to manufacture sulphuric acid, primarily for converting the sodium sulphate into nitre cake, an essential flux used in the primary process of refining copper and nickel.

At Conniston, about 8 miles distance from Sudbury, is the former Mond smelter, having a normal capacity of 2,000 tons of ore daily, which operates principally on the ore from the Creighton mine to produce "Monel Metal" matte.

On the Spanish River in the Sudbury area is the company's main hydro-electric development, supplying power for its various operations. In addition, the company is under contract with the Hydro-Electric Power Commission to take a minimum of 16,000 h.p. from the new Abitibi Canyon development upon its completion on October of this year.

From the Copper Cliff plant of the company is produced blister copper shipped to the Ontario Refining Co. for refining, also nickel sulphide, shipped principally to the company's main nickel refinery at Port Colborne, Ont. Part of the nickel sulphide is shipped to the Mond refinery in Clydach, Wales. Also the nickel-copper matte from the Conniston smelter is shipped to the Huntingdon, West Virginia, plant for further refining and fabrication into "Monel Metal" products. The refined nickel production from the Port Colborne, Ont., nickel refinery is in part shipped to the Huntingdon plant for the production of nickel and nickel alloy sheets, wire, seamless tubing, cold drawn rods and other nickel rolled products or to the Bayonne, New Jersey, company plant, where this company operates a foundry producing nickel and nickel alloy castings.

The products from its Clydach, Wales, refinery are in part fabricated through an English subsidiary company, fabricating nickel and nickel alloy products.

Has Own Marketing Agencies

The market for the company's products is through its own marketing agencies established throughout the world or through metal marketing agencies, and distributing units that market the company's products throughout the world. The United States is by far the largest single consumer, taking about 50 per cent of the nickel production and 90 per cent of its "Monel Metal" production, Canada taking less than 2 per cent.

While the head office of the company is at Copper Cliff, Ont., the executive and financial departments are in New York City and approximately 43 per cent of the outstanding capitalization of the company is held in the United States, while the balance is held in Canada and Great Britain.

Owing to the mergers and amalgamations that have been effected several classes of stock are outstanding. The one most commonly traded in is the common no par value shares, of which 14,584,025 are outstanding.

In addition to its common stock liabilities there are preferred shares outstanding totalling $27,627,825, and in addition the company guarantees the debenture stock of its English subsidiaries, totalling $7,385,402.

Due to the continued industrial depression demand for the company's nickel products has suffered a severe decline and operations have, therefore, been tuned to consumption requirements and have resulted in little change in the inventory of the company's products, considered essential to maintain a supply for its market.

Although dividends have now been passed on the common shares, earnings from the company's operations to date have been more than sufficient to meet preferred stock requirements and the company's working capital position is not being jeopardized.

From the investor's viewpoint, International Nickel is in a unique position, although the common shares have shrunk from a high market value recorded in 1929 of $73 a share to currently around $6 a share. The outlook for earnings for the company has not diminished, given a return of the industrial activity and the potential demand for products manifest prior to the present economic depression.

Nickel Uses Diversifying

The demand for the company's products for diversified uses is continually expanding, but the total tonnage demand remains low. It is, therefore, anticipated that, with an increase in the possible uses for nickel, improved economic conditions may result in a correspondingly increased demand. The world trend is toward alloy metals, particularly nickel alloys, and the company is in a position as never before of being able to supply nickel, copper and other by-product metals of its mines in greater quantities at lower prices.

Common Shares — Outstanding, 14,584,025 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	11.00	4.00	6.75
1931	20.50	8.12	....

Earned on Common: 1931, $0.22; 1930, $0.67; 1929, $1.47.

Dividend rate: Nil. Last paid 5c. Dec., 1931.

Listed: Montreal and Toronto Stock Exchanges; Standard Mining (unlisted section), Toronto; Vancouver Stock Exchange (unlisted section); New York Stock Exchange; London Stock Exchange.

*To July 25.

HOWEY GOLD MINES

Steadily Increasing Production Melts Loan—Dividends Seen Next Year

Howey Gold Mines was incorporated in 1926 to develop a gold property in the Patricia district, Ontario. It was organized by John E. Hammell, Toronto, but control now rests with W. S. Cherry, Providence, R.I., vice-president of the company, and his associates.

The company has pioneered the development of the district and is its only gold producer. Its property consists of 23 claims at Red Lake, about 110 miles north of Hudson on the main line of the C. N. R. reached by a circuitous water route.

Financial difficulties were encountered before production was inaugurated incurring a loan of about $600,000 from the company's vice-president. After production was started it was found that the grade of ore was substantially below that anticipated causing a loss on operations.

A management reorganization in midsummer, 1931, has been effective in maintaining the grade of ore treated at around $4 per ton and reducing operating costs to around $2.50 per ton, the lowest in the Dominion. Simultaneously mining operations were increased from 500 to 900 tons daily enabling the company to reduce its loan to $100,000. It is anticipated that all obligations will be discharged in the fall of 1932.

Developments have been carried to a depth of 1,000 ft., and ore reserves totalling $855,655 tons averaging $4.25 per ton were indicated at the end of 1931. The 1,000 ft. horizon has proven the highest grade in the mine and an exploratory winze is being sunk below this level. Present ore reserves indicated are about sufficient for three years' supply for present operations, but do not truly reflect the ore possibilities as to tonnage of grade and no estimate has been made of the ore below the 1,000 ft. horizon.

Current production is around 900 tons of ore daily while the total recovery for 1931 was $866,606 or an average recovery of $4.10 per ton. The six months of 1932 showed a record production with a recovery valued at $365,000.

The tonnage treated has been steadily increasing, reflecting higher earnings after paying interest-carrying charges. A feature of the company's operations is the exceedingly low cost.

Production Summary
Years Ended Dec. 31

Year	Tons Milled	Recovery Per Ton	Bullion Recovered
1930*	110,438	$4.17	$460,428
1931	211,552	4.10	866,606

*Nine months.

Costs Per Ton
Years Ended Dec. 31

	1931	1930
Develop. & exploration	$0.22	$0.27
Mining	1.54	2.07
Milling	1.04	1.10
Taxes & marketing	.05	.05
Gen. & adminis. exp.	.50	.76
Operating costs	3.35	4.25
Deprec. & write-offs	1.11	1.30
Total cost per ton milled	$4.46	$5.55

The future of the company rests on the success met with in the development of ore, but it is fortified with adequate reserves for the immediate future. Officials of the company believe that by the end of 1932 all obligations will have been liquidated and sufficient surplus earned to permit of consideration being given to a dividend.

Common Shares — Par, $1. Outstanding, $5,000,000.

Price Range:	High	Low	Latest
*1932	.49½	.26	.49
1931	.40	.20	...

Listed: Standard Mining, Toronto; Toronto Curb; Dominion Stock Exchange.

*To July 25.

DOME MINES

Ore Reserves, Production and Earnings at New High Levels

Dome Mines was incorporated in 1923 as a reorganization of a company of a similar name which had been a continuously profitable gold producer at Porcupine, Ont., since 1910 and a dividend payer since 1915.

The company's property consists of approximately 438 acres in Tisdale township, Porcupine district, Ontario, and is equipped with a new modern 1,500 ton daily capacity mill completed in 1930.

The property has been developed to a depth of 2,875 ft. and in 1927 was commonly supposed to be nearing immediate depletion, but developments in the greenstone area north of the sedimentary basin have extended the ore possibilities on the property to an indefinite degree and on December 31, 1931, the official estimate of ore reserves was given at 1,920,000 tons, the greatest ever reported. Faith in the ore potentialities of the mine was displayed by the management when it reconstructed a mill destroyed by fire late in 1929.

In the six months ended June 30, 1931, the recovery from the ore treated was $2,104,716 or an average recovery of $7.86 a ton—a new high record in the past four years. The following is a tabulation of production since commencement of operations together with costs.

*Production Record
Years Ended Dec. 31

	Tons Milled	Total Value	Recovery Per Ton
1910	247	$ 4,355	$17.60
1911	......	4,277	20.66
1912	75,088	737,499	9.82
1913	131,149	1,242,625	9.32
1914	221,890	1,059,238	4.83
1915	317,740	1,530,287	4.81
1916	444,900	2,154,820	4.84
1917	359,570	1,480,174	4.15
1918	Clean-up	82,127	....
1919	187,580	1,290,301	6.87
1920	295,220	2,020,568	6.84
1921	335,680	2,290,264	6.82
1922	368,400	4,178,936	11.35
1923	399,800	4,374,144	10.94
1924	493,400	4,307,624	8.73
1925	530,200	4,365,923	8.23
1926	555,700	3,940,053	7.09
1927	543,300	4,031,575	7.42
1928	548,000	3,915,051	7.14
1929†	452,900	3,590,537	7.58
1930†	67,600	774,943	5.89
1931	542,600	3,486,506	6.43
		$50,861,827	

*Ontario Department of Mines report.
†Production includes recoveries from mill clean-up after fire, of $157,646 in 1929, and $377,202 in 1930, or a total of $534,848.

Production Costs Per Ton
Years Ended Dec. 31

	1931 $	1930 $	1929 $
Develop. and explor.	.76	....	1.35
Mining	1.15	....	1.47
Milling	1.15	....	1.08
Taxes	.40	....	.33
Gen. & adminis. expense	.35	....	.45
Total operating exp.	3.81	4.12	4.68
Deprec. & write-offs	1.29	....	.03
Total cost per ton	5.10	....	4.71

In 1923 the company inaugurated a dividend assurance fund which has been added to year by year to provide dividends when the company's earnings is reduced. This together with other liquid assets gave the company a working capital of approximately $4,000,000 on December 31, 1931.

In order to perpetuate the existence of the mining enterprise last July the company invested $1,100,000 in the East Geduld mine—a gold property which started production last August in the East Rand.

Inasmuch as the company's earnings in recent years have been considerably in excess of the dividend disbursements, Jules S. Bache president of the company, has agreed to meet shareholders' wishes and in the future disburse a higher percentage of the earnings. To this end a bonus of 20 cents per share was declared payable in addition to the regular 25-cent quarterly dividend on July 20, 1932.

The company enjoys excellent management, conservative in nature. Earnings for 1932 are currently on a basis close to $2 a share or better than in any year in the past seven years.

Common Shares — Outstanding, 1,000,000 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	12.65	9.00	12.30
1931	13.40	8.00	.....

Earned on common: 1931, $1.039; 1930, $0.090; 1929, $1.865.

Dividend rate: $1. Bonus of 20c. payable July 20, 1932.

Listed: Standard Mining, Toronto; Toronto Stock Exchange; Montreal Curb; New York Stock Exchange.

*To July 25.

CONIAURUM MINES

Pays Initial Dividend in 1932 Following Struggle to Meet Expenses

Coniarum Mines was incorporated in 1929 by Ventures Ltd., as a reorganization of a company by the same name which started production in 1928, but owing to inability to meet the funded indebtedness charges was forced into bankruptcy.

The company owns 641 acres in Tisdale township, Porcupine district, Ontario, immediately east of the McIntyre-Porcupine Mines where a 350-ton mill was started into production in 1928.

Production and development is conducted through a main three-compartment shaft to the 2,000-ft. horizon and by a winze to 2,500 ft. The ore reserves on December 31, 1931, included only broken ore reserves valued at 765,133 tons owing to the erratic distribution of values in the veins precluding the regular blocking out of ore. Commensurate with this recovery the company has carried out an aggressive development programme in the search for commercial ore which in 1932 has permitted a small profit being made and an initial dividend being declared.

Production in the last quarter of 1931 and for the three months ended March 31, 1931, showed considerable improvement over previous operations and were at the rate of approximately $1,000,000 annually. The following shows a summary of production since commencement of operations:

Production Summary
Years Ended Dec. 31

Year	Tons Milled	Recovery Per Ton	Bullion Recovered
1928	52,005	$5.06	$ 249,890
1929	103,293	6.45	666,549
1930	122,972	5.99	736,727
1931	130,585	6.02	785,708
	408,855	$5.98	$2,438,874

Production Costs Per Ton
Years Ended Dec. 31

	1931 $	1930 $
Develop. and exploration	0.56	0.70
Mining	3.14	3.40
Milling	0.85	0.94
Taxes and marketing	0.03	0.03
General expense	0.43	0.43
Total operating costs	5.01	5.50
Deprec. and write-offs	1.41	1.00
Total costs per ton	6.40	6.50

The future of the company is tied up with its ability to develop commercial ore of importance in its aggressive development campaign.

The finances of the company are adequate for the scope of its operations with working capital of $408,525 on December 31, 1931.

Common Shares — Outstanding, 2,697,447 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	.45	.28	.45
1931	.62	.25	...

Earned on common: 1931, $0.002.

Dividend (initial): Three cents per share payable Aug. 15, to shareholders of record Aug. 1.

Listed: Standard Mining, Toronto; Montreal and Toronto Curbs.

*To July 25.

HUDSON BAY M. & S.

Showing Operating Profit Despite Low Metal Prices

Hudson Bay Mining & Smelting Co. was incorporated in 1927 by the Whitney and Newmont interests of New York, and is Manitoba's leading mining and metallurgical operation.

Its properties consist of approximately 6,000 acres on either side of the Manitoba-Saskatchewan boundary at Flin Flon, 85 miles northwest of The Pas, Manitoba, where copper-zinc-silver-gold deposit has been developed, estimated to contain 18,000,000 tons of ore averaging 1.71 per cent copper, 3.45 per cent zinc, .074 oz. gold and 1.06 oz. silver per ton.

Following an expenditure estimated at close to $25,000,000 the property was equipped for production including a 3,000 ton daily capacity concentrator, copper smelter and zinc plant capable of producing 30,000,000 pounds of blister copper, 50,000,000 pounds of refined zinc in corresponding gold and silver production. Power for the company's operations is supplied by its own subsidiary which developed a hydro-electric site on the Churchill River.

Operations Stepped Up

Initial production was started in the autumn of 1930 and in 1931 the plant produced 31,068,556 pounds copper, 35,056,199 pounds of zinc, 702,128 oz. silver and 78,000 oz. gold, having a sales value of $5,401,313. In 1932 operations were stepped up to 4,000 tons daily by minor modifications to the plant.

Plans were laid in 1927 to bring the property into production at a time when the base metal market was in a flourishing condition. By the time production had started severe declines in base metal prices had taken place, but despite this continual decline in metal prices the company was able to show an operating profit after providing for interest on $5,000,000 bonds outstanding. After arbitrary write-off, including depreciation, the 1931 operations showed a net loss of $301,947, but each month in 1932 has shown an operating profit.

Although earnings are at low ebb the disposition on the part of the management has been to reduce costs to meet unprecedented prices for its products, and thus keep the organization together pending improved metal prices.

Operating at Low Cost

Its mining operations are known to be among the lowest cost on the continent with about two-thirds of the production coming from open pit operations. With the company generating its own power and having plant facilities for producing refined lead and blister copper it is fortified against fixed charges and is in a position as few mining operations in the Dominion for curtailing and controlling its production costs.

The company has a funded indebtedness of $5,000,000 carrying 6 per cent interest amounting to an annual fixed charge of $300,000.

As at December 31, 1931, the company had a working capital of $1,346,985 principally made up of refined metal sold under contract. Pending the liquidating of these stocks, loans of $900,000 were incurred to interest financing operations.

The outlook for the company is allied with improved metal prices. It has demonstrated that its huge ore reserves are amenable to treatment at low cost. The company enjoys excellent management and is backed by financial interests with long and favorable records, but at the present time the company is confronting the lowest metal prices in history. Hope for the common shareholders rests with higher prices for base metals.

Common Shares — Outstanding, 2,500,000 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	2.78	.92	2.00
1931	6.30	2.00	....

Listed: Standard Mining (unlisted) Toronto; Toronto Curb; New York Curb.

*To July 25.

Canadian Born in Prairies

Three-fifths of the population of Western Canada are Canadian-born, according to the latest figures; of the remaining two-fifths, 40 per cent were born in the British Isles or other British possessions, 37 per cent in Continental Europe and 22 per cent in the United States.

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Moss Gold Mines Limited
(No Personal Liability)

The new plant of the Moss Gold Mine which went into production in March of this year.

OFFICERS
Norman R. Fisher, *President and Managing Director*, C. G. Greenshields, K.C., *Vice-President*
Lt.-Col. James Cooper, *Secretary-Treasurer*

DIRECTORS
Russell Blackburn, Norman R. Fisher, Alistair Fraser, K.C., C. G. Greenshields, K.C.,
C. S. Gzowski, J. Dakers Paterson, R. W. Steele

Executive Office
132 St. James St. W., Montreal, P.Q.

Mine Office
Kashabowie, Ont.

Sylvanite Gold Mines Limited
[No Personal Liability]

Sylvanite Gold Mines are situated astride the main zone or break from which the various mines of the Kirkland Lake district are producing now at an aggregate rate of about $20,000,000 yearly.

Sylvanite is the latest mine to be brought into production in this field, having commenced to produce gold in 1927. The total output up to March 31, 1932, has reached $3,766,730 plus exchange compensation. Production recently attained a rate of over $70,000 per month.

The financial statement as of March 31, 1931, showed $738,268 in current assets made up of $221,240 in cash in banks and trust companies, together with $65,221 in bullion on hand and in transit, and $430,137 in bonds.

It is very important that shareholders should now have stock transferred to their own names for the reason that Sylvanite Gold Mines, Limited, are now paying dividends. Semi-annual disbursements of two cents per share are paid with the disbursement on June 30, 1932, carrying ½ cent per share bonus.

Work has been carried to 3,000 feet in depth. The mill has recently been handling 265 tons of ore daily. Ore now developed is greater than at any previous time.

DIRECTORS

Edward L. Koons	President
William L. Marcy	Vice-president
W. S. Walton	Secretary
Clark L. Ingham	Treasurer
Alfred H. Sharpe	Director
Harry Yates	Director
Welles V. Moot	Man.-Director
C. E. Rodgers	General Manager

Authorized Capital:
$3,300,000

Head Office
Kirkland Lake, Ontario

Buffalo Office
300 Erie County Bank Building
Buffalo, N.Y.

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HAYDEN GOLD

Porcupine's Youngest Producer Holds Hope of New Section

Hayden Gold Mines was incorporated in 1912 by a Rochester, N.Y., group which in past years has been developing a gold property in the Porcupine area which was brought into initial production this spring. It was not until a little over a year ago that an intensive development programme was inaugurated, which culminated in the construction of the mill of 50 tons capacity. The property comprises approximately 825 acres in Ogden township, Porcupine district, about three miles south of the main producing section where development work has been carried to a depth of 700 ft.

Initial recoveries by the amalgamation process have been low and a cyanide unit is being added.

The company was financed through the associated Hayden Corp. of Rochester, N.Y.

WRIGHT-HARGREAVES

New Chapter Being Written as Deep Work Proceeds

Wright-Hargreaves Mines was incorporated in 1916 to develop a gold property immediately east of the Lake Shore Mines at Kirkland Lake, Ont. Production started in 1921 and a dividend was paid the same year. Production continued on an ascending scale to about 700 tons daily until 1929, when owing to diminished ore reserves operations were curtailed and an aggressive development programme undertaken. This development programme was successful in extending the ore potentialities of the property and production has been gradually brought back to approximately 825 tons of ore daily. Simultaneous with the increased production deep development work has been undertaken currently at a depth of 3,000 feet with further work projected to 4,000 ft. This development work has steadily added to the ore reserves, which at the end of 1931 were estimated at 753,510 tons averaging $11.65 per ton. Present indications are that, as further work progresses, substantial additions will be made to the company's ore position.

With ore reserves being rapidly added to, the question has come up of increased milling facilities but no decision has been reached on this point, and it is not thought likely that an announcement will be made regarding increased capacity until such time as the new No. 4 shaft has reached the 4,000-ft. horizon and information gained at that point as to the ore potentialities.

Earnings have been mounting rapidly in the past three years and indications are that 1932 profits will show a moderate advance over those in 1931.

Production in Calendar Years

Year	Tons Milled	Recovery per ton	Bullion Recovered
1921*	36,081	$13.00	$468,665
1922	66,181	11.52	762,752
1923	79,242	9.52	754,978
1924	84,487	12.89	1,088,725
1925	147,939	12.93	1,913,401
1926	153,392	14.02	2,150,844
1927	209,164	10.51	2,151,916
1928	256,331	7.20	1,845,923
1929	188,238	9.25	1,741,872
1930	220,430	11.03	2,431,896
1931	266,852	10.93	2,912,308
	1,707,837	10.67	18,223,280

* 8 months.

Production Costs Per Ton

	1931 $	1930 $	1929 $
Devel. and explor.	1.33	1.08	1.93
Mining	2.91	2.95	2.91
Milling	1.17	1.10	1.24
Taxes & marketing	.43	.36	.21
Gen. & admin. exp.	.64	.52	.65
Total costs per ton	6.48	6.01	6.94
Deprec. & w/o	.24	1.74	.24
Total cost per ton	6.72	7.75	7.18

Common Shares — Outstanding 5,500,000 shares, n. p. v.

Price Range:	High	Low	Latest
*1932	3.06	2.09	2.90
1931	3.25	1.85	..

Earned on Common: 1931, $0.21; 1930, $0.14; 1929, $0.08.

Dividend Rate: 10c. Extra 2½c., each paid Jan. and July, 1932. Yield 3.44%.

Listed: Standard Mining, Toronto; Toronto and Montreal Curb; New York Curb.

*To July 20.

TREADWELL-YUKON

Pioneering the Development of the Pascalis Area, Quebec

Treadwell-Yukon Co., incorporated in 1924 as a subsidiary of the Bunker Hill, & Sullivan Mining & Concentrating Co., to operate silver-lead-properties in Yukon Territory has only about 10 per cent of its outstanding capitalization in the hands of the general public. Principal interest in the company in Canada centres about its development of the Errington Mines at Sudbury, a lead-zinc- copper property that showed interesting possibilities with higher prices for base metals but which is now closed down. Renewed interest in the Canadian operations was manifested when it acquired a gold prospect in Pascalis area, Quebec, last year. Here an aggressive development campaign has been carried on and with results sufficiently interesting to warrant the company to install a 100 ton capacity test mill now nearing completion. This is the first property in the Pascalis area to be equipped with a mill and it is largely pioneering the area.

The company has not shown a profit from its operations, largely due to its wide spread interest in base metal properties. Finances have since been provided by the parent company and its associated companies which have advanced approximately $8,500,000.

Common Shares — Par, $1. Outstanding, $1,500,000.

Price Range:	High	Low	Latest
*1932	3.00	1.01	1.75
1931	2.65	.90	....

Listed: Standard Mining, Toronto; Toronto Curb; London (Eng.) Stock Exchange; San Francisco Curb; New York Produce Exchange.

*To July 19.

VENTURES LTD.

Widespread Interests Lend Hope of Some Development of Importance

Ventures Ltd., was incorporated in 1928 by the Lindsley interests of Toronto and operates as a promotion holding, investment, trading, exploration and development company, and is the key company for the sponsor's various undertakings. Through its exploration and development departments properties are investigated and subsidiary operating companies formed.

Interest in the company at the present time centres around its holdings and investments in gold prospects. Foremost among these is the controlling interest in Coniaurum Mines, a dividend payer and Beattie Gold Mines, under development in Quebec.

At Island Lake, Manitoba, the company has controlling interest in a group of claims at Gold Island which has been diamond drilled with encouraging results. Plans call for establishing a mill on this property upon completion of further exploration. The company also has a group of claims in the Great Bear Lake area which are being prospected. In addition it owns numerous copper prospects and is continually investigating properties taken under option arrangements.

The subsidiary interests of the company include 1,504,143 shares in the Beattie Gold Mines; controlling interests in the Opemiska Copper Mines and controlling interest in Kenora Prospectors & Miners. Minority interests of the company include 250,000 shares in Canadian Gold Operators; 1,500,007 shares in Coniaurum Mines; 307,500 shares in Dominion Explorers; 40,000 shares in Eldorado Gold Mines; 1,547,720 shares in Falconbridge Nickel Co.; unstated interest in the Malartic Gold Mines; 5 per cent interest in the Ontario Refining Co.; 229,688 shares in Pascalis Gold Mines; 48,802 shares in Sherritt-Gordon Mines; an unstated interest in Siscoe Gold Mines; 804,060 shares in Sudbury Basin Mines, and 50,000 shares in the Sullivan Con. Gold Mines. In addition, it has various blocks of stock in companies not at present active.

The only company paying dividends in which Ventures has a major interest is the Coniaurum Mines.

The working capital has been largely depleted through its activities although its holdings in various companies were valued at $2,564,344 on December 31, 1932.

While no important source of income is in the immediate offing from the company's investments, its interests are of such a diversified nature that its shareholders participate in one of Canada's most widespread exploration enterprizes.

Common Shares — Outstanding 7,468,483 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	.53	.16	.45½
1931	.86	.35½	....

Listed: Standard Mining, Toronto (unlisted section); Toronto and Montreal Curb; Vancouver Stock Exchange.

*To July 19.

ALDERMAC

Company's Pyrite Output Lays Foundation for New Canadian Industry

Aldermac Mines was incorporated in 1927 to develop a pyrite and copper property in the Rouyn district, Quebec. The company is controlled by the Towagmac Exploration Co., whose associates have financed the construction of a 500-ton daily capacity concentrator completed early in 1932. The company owns approximately 712 acres in one group of Boischatel township, 12 miles southwest of Noranda. Development has been carried to a depth of 1,125 ft. and approximately 1,000,0000 tons of ore averaging 75 per cent iron pyrite and 1.65 per cent copper has been developed.

Associated interests of the company have been developing a process for burning iron pyrite for the purpose of making sulphur dioxide gas from which sulphuric acid is made, used principally in the paper mills. The development of Aldermac is to provide a reliable source of supply of pyrite, and the company has an agreement with the Sulphide Research Corp. to supply its requirements within economical shipping areas.

The pyrite produced is forming the basis of a new industry for Canada which is making progress with large users of sulphuric acid and it is anticipated that as paper mills become more active there will be an increasing demand for pyrite. In initial operations the mill proved a commercial success and, after the ore bins were filled, closed down awaiting consumption demand which would ensure continuous operations.

Interests associated with N. A. Timmins direct the company with James J. McFadden as president.

Common Shares — Outstanding, 3,498,695 shs., n.p.v.

Price Range:	High	Low	Latest
*1932	.15	.15	.15
1931	.50	.12	...

Listed: Standard Mining, Toronto, (Curb section).

*To July 25.

Fox Breeders Report Read

The director's report of the Canadian Silver Fox Breeders' Association, presented at the recent annual meeting in Charlottetown, showed the sale of 29,468 pelts last season, with few remaining in the organization's hands. Almost 90,000 foxes and cubs were inspected last year.

Faith of Howey's Backers Not Misplaced

Howey Gold Mines, isolated as it is, 150 miles from the railway and pioneering mining in the Red Lake Area, presents an example of what obstacles can be overcome by resourcefulness and modern engineering, to make a profitable gold mine.

It is probably fair to say that had the true conditions of Howey's ore occurrence and grade been known the enterprise would never have been undertaken. The early developments indicated a grade of ore of about $7 per ton. A long water transportation route, equipped with marine railways provided slow and expensive transportation facilities for taking in equipment and supplies. Before the mill was decided on, power was essential, as it was practically impossible to consider steam power for the magnitude of operations contemplated. To this end, the Hydro-Electric Power Commission of Ontario was approached and gave a sympathetic hearing of the company's problems, with the result that power was assured with the building of a transmission line 45 miles to the mine.

Here we have a picture of a mine with apparently $7 grade ore, isolated 150 miles from the railway, pioneering a new district, partially developed, partially equipped, but in the throes of financial difficulties.

At this juncture, the company's vice-president, W. S. Cherry, a former Canadian, played a bold hand.

Inasmuch as the company's authorized capitalization had been exhausted, it meant either reorganization and refinancing, accompanied by the usual diminution of the shareholders' interests, or the raising of a loan. It is safe to say that no individual or institution in the Dominion would, at this juncture, have been willing to loan Howey $600,000 on no other security than the property itself, as yet unproven and untried. Such was the faith of Mr. Cherry in the property that he came to the rescue, with no other compensation for the loan than that it bear normal interest. Imagine what his concern for the security must have been when production operations showed the ore to be of $4 grade instead of $7, and operations being conducted at a loss. Here we see, after a year's production, operations making no contribution toward liquidating this $600,000 loan. A little over a year ago, F. D. Reid and H. C. McCloskey, two well-known mining men of long Cobalt experience, became associated with Howey and emerged from retirement to lend their experience in an endeavor to realize the mine's latent worth. A little over a year later we again see Howey's picture—ore still $4 per ton, refinements in mill increasing its capacity from 500 to 900 tons daily; operating costs, including interest on the loan, brought down to $2.50 a ton—the lowest of any gold mining operation in Canada, and the $600,000 loan melted away until, on July 1, 1932, it stood at $100,000. Not only has $500,000 been lopped off the financial ghost overhanging the company but a few weeks hence will see it entirely disappear and the way paved for dividends from a mine which looked, a year ago, like another fruitless endeavor to pioneer a new district.

GRANBY

Curb Costs Curtails Output While Awaiting Higher Copper Prices

The Granby Consolidated Mining, Smelting & Power Co. is British Columbia's premier copper producer which, due to low copper prices, has curtailed its operations at Anyox in the Nass River mining division, and reduced its operating costs, enabling operations to continue which in 1931 showed a small profit. The plant at Anyox consists of a 3,500-ton daily capacity concentrator and smelter, producing blister copper.

The company also owns a concentrator at Allenby, B.C., which has been closed down since November, 1930. In addition, it owns hydro-electric developments, timber limits, quarry and a colliery. The company has been a continuous producer since 1912, with peak operations reached in 1929. It has a long record as a profitable producer and dividends were paid continuously between 1903 and 1930. Between 1920 and 1927, dividends were passed. In the latter year, capital distribution was inaugurated and paid until February 1, 1932, when it was passed after distributing $7,962,631 in the form of return of capital and $10,339,458 in dividends.

The present low prices for copper have had the effect of inaugurating economies and reducing the costs to a low point that will make for increased profits once copper prices return to normal. In the meantime, the company's plant and organization are being maintained.

Common Shares—Outstanding—

Price Range:	High	Low	Latest
*1932	$7¾	$3¾	..
1931	$22¼	$5¾	..

Earned on common: 1931, nil; 1930, nil; 1929, $4.49.

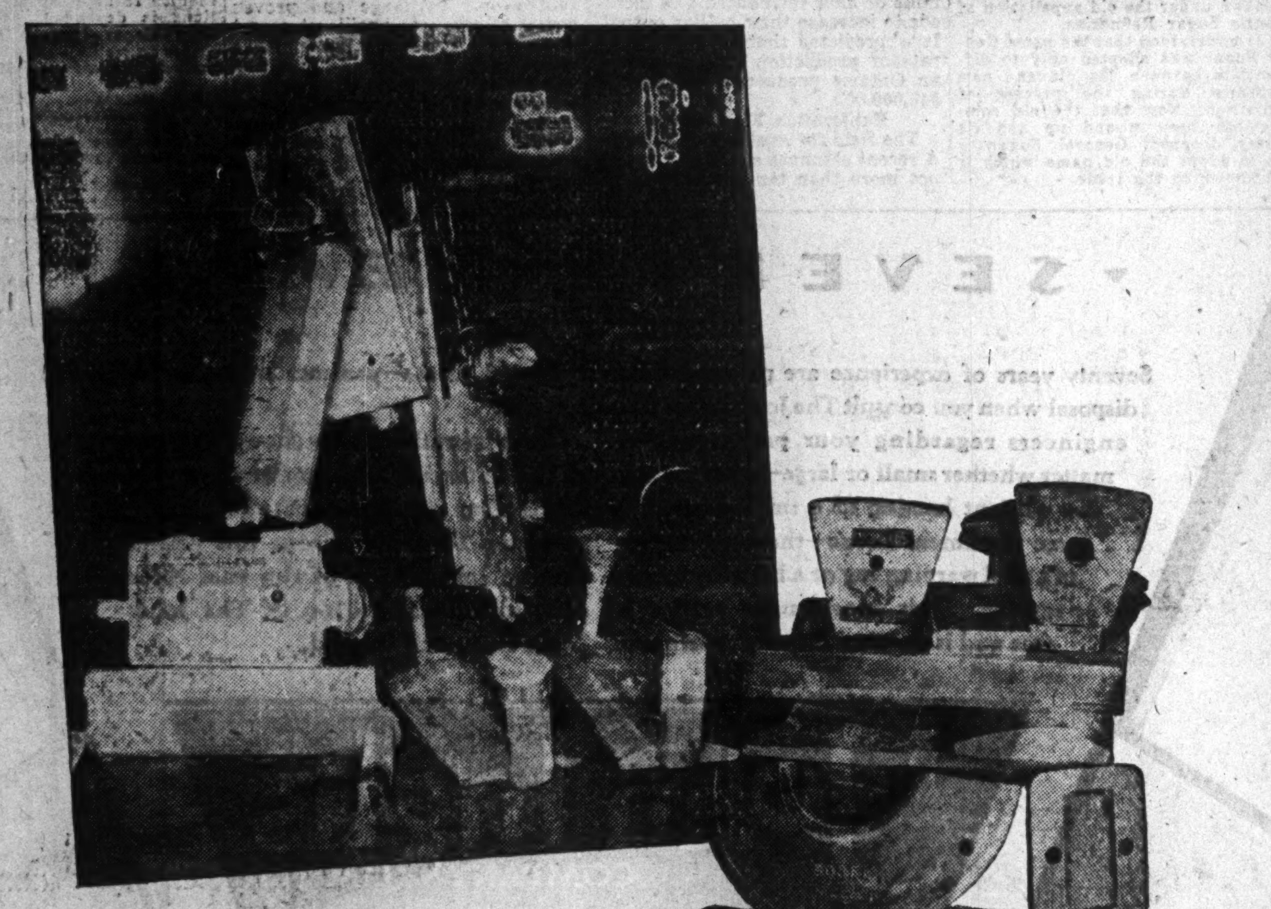
Listed: New York Stock Exchange; Boston Stock Exchange; Vancouver Stock Exchange.

*To July 19.

Homestead Entries in Alberta

Homestead entries in Alberta during the month of June showed a substantial increase over the preceding month with a total of 511, against 297 in May. Of this total the Edmonton land office handled 308 entries, Peace River 109 and Grande Prairie 92.

ROUGH and TOUGH



. . . just as they come from the mould. We clean and heat treat them of course, but our liners still hold all the "rough and tough" qualities that put them right up front when wearing qualities are being considered.

Actual photos taken in our plant of ball mill liners in rough and finished state

Sorel Steel
FOUNDRIES LIMITED
SOREL "Where the Richelieu meets the St. Lawrence" QUEBEC

Sorel P.Q. 360 Dorchester Street W., MONTREAL 170 Bay St., Toronto

PANDORA
A Mine in the Making

Capitalization
$5,000,000
$1 Par Value Shares

OFFICERS AND DIRECTORS
C. B. Stevenson, Pres.
J. W. Brown, Vice-Pres.
J. W. Morrison, Mine Mgr.
J. W. Norcross, Director
L. R. Hume, Director
Martin Meers, Director
M. Donoghue, Sec.-Treas.

THE property of Canadian Pandora Gold Mines Limited consists of approximately 1,200 acres adjacent to the property of M. J. O'Brien Ltd. in Cadillac Township, Quebec, which has been developed to a point where a 100-ton mill is nearing completion. Pandora's holdings have been diamond drilled for three-quarters of a mile along the vein to a depth of 340 feet. The success of the diamond drilling justified sinking a shaft currently down 250 feet with deepening proceeding to the 500 feet horizon. At 250 feet the veins have been cut and fully confirm the diamond drill indications.

For Information and Prices of Stock write

Canadian Pandora Gold Mines Limited
Head Office: New Liskeard, Ontario

METALS DEVELOPMENT
LIMITED
(No Personal Liability)
2009 SHERBROOKE STREET EAST
MONTREAL, P.Q.

Owns and operates gold mining property of approximately 1,000 acres situated in Goodall and Dent Townships, District of Patricia, Province of Ontario.

A prospect shaft is down 100 ft. on the vein, showing commercial ore and considerable visible gold. A new vertical shaft 237 ft. deep has just been completed and a cross-cut to the orebody is now under way on the 200 ft. level.

Substantial and permanent camp buildings are on the property, together with complete mining plant.

DIRECTORS AND OFFICERS
President: M. H. Lebel, Montreal.
Vice-President: Col. C. H. Ackerman, Peterboro.
Secretary-Treasurer: M. F. Blue, Montreal.
Directors: W. R. Salter, Toronto; W. G. Scarrow, Sarnia; J. L. A. Tetreault, P. E. Lavalle, B. Maase, P. E. Lalanne, Montreal.

HOWE SOUND HAS NET LOSS OF $6,114 IN LAST QUARTER

No Copper Sold During Period, Other Metals Decline

The quarterly statement of Howe Sound Co. for the three months ended June 30, 1932, shows no copper sold from The Britannia Mining & Smelting its subsidiary operations in British Columbia during the period. Metals sold show a decline of approximately 20 per cent from the previous quarter. Costs were further reduced but an operating loss of $26,103 occurred. Miscellaneous income cuts the net loss, after depreciation, to $6,114.

The following is a tabulation of production and earning for the first and second quarters of 1932.

Quarter Ended	June 30, 1932	March 31, 1932
Financial:	$	$
Value of metals sold	757,849	954,895
Oper. costs	783,952	948,540
Oper. income	*26,103	6,355
Miscel. income	69,747	87,297
Total income	43,644	93,652
Less: Deprec.	49,758	70,331
Net income	*6,114	23,321
Production:		
Gold, ounces	11	589
Silver, ounces	692,915	795,704
Copper, lbs.	nil	2,205,318
Lead, lbs.	20,046,301	22,232,718
Zinc, lbs.	7,626,590	3,163,129

*Loss.

NICKEL CURTAILS MAIN OPERATION AT END OF MONTH

Closing Creighton Mine and Coniston and Port Colborne Plants

Officials of International Nickel have announced that, effective July 30, 1932, operations of the company will be curtailed a further 30 per cent.

For some time past smelting operations at Coniston, Ont., have been held to a minimum with only one furnace operating and with this banked part of the week. It is at this plant that the matte is produced from Creighton mine or from which "Monel Metal" is made.

At the Copper Cliff smelter, also at the Frood mine, operations will still be on a substantial scale with over 2,000 men on the payroll. At the electrolytic nickel refinery at Port Colborne, Ont., refining will be suspended for three months owing to the present stock of nickel on hand being adequate for current demands.

The following is the official statement released by Donald McAskill, general manager of the company at Copper Cliff, Ontario, following a conference of officials at New York.

"Owing to continued uncertain condition of business, the International Nickel Company has decided to further curtail operations. The Electrolytic Department at Port Colborne will be closed down for a period of three months, beginning Aug. 1. Also the output from the Coniston plant and Garson and Creighton Mines will be discontinued for a like period. There is no change contemplated in the output of the Frood Mine or the Copper Cliff plants. In accordance with its policy in the past, the company will take steps to care for its employees where necessary during the period of the shutdown."

Metals Development

Metals Development was incorporated in 1928 to develop a gold property consisting of approximately 1,000 acres in Goodall and Dent townships Clearwater Lake area, Patricia district, Ontario.

Following a favorable report on the property by a New York engineer an aggressive development programme was undertaken and a prospect shaft was sunk to a depth of 100 ft. This was followed by a vertical shaft that is currently down 237 ft. from which a crosscut has been driven on the 200 ft. to intersect the vein. One ore shoot on the surface is reported as averaging $12 over a width of four ft. for a length 320 ft.

Montreal interests have provided about 90 per cent of the funds to date.

Metal Prices

New York—July 26:
Copper: Electrolytic spot, 5¼c. lb.
London—July 26:
(Long Ton)
Copper: Electrolytic spot, £27 10s.; future, £28. Standard spot, £25 2s. 6d.; future, £24 12s. 6d.
Tin: Spot, £125 15s.; future £127 5s.
Lead: Spot, £9 12s. 6d.; future £9 15s.
Zinc: Spot, £11 15s.; future £11 17s. 6d.
Silver: 17⅛d. per ounce.

"BUY IN THE DOMINION FROM THE DOMINION"

"Dominion" steel castings and plate used on this immense mine hoist manufactured by John Bertram & Sons for Noranda Mines Limited.

CASTINGS — For every purpose — mild or any alloy, from 1 pound to 100,000 pounds.

STEEL PLATES — Up to 78" wide.

Dominion Foundries & Steel
LIMITED
HAMILTON — ONT.

ASHLEY GOLD MILL TO BE COMPLETED NEXT SEPTEMBER

On 500 Ft. Level 82 Per Cent of Drifting in Ore

At the Ashley property speedy progress is being made in the erection of a 150 ton mill the first sod of which was turned in May. While mill construction is scheduled for completion next October it now appears evident that September will see the mill producing gold. This will mean that in four months after the first construction work started that the mill will be in operation, which establishes a new record for mill construction in the interlands of Ontario's gold belt. It will also mean that in less than two years from the time the property is staked that it will be producing gold, another record.

While no official statement has been made recently regarding development on the 500 ft. or lowest level of the property, it is known that work has been most encouraging and that 82 per cent of the drifting has been in ore. While the veins are narrow, values are spectacular in many instances. Stoping will be narrow and anticipating this the Mining Corp. has a trained staff at its Cobalt property that can step in when mining operations start and give invaluable service that will play an important part in lowering mining costs.

HUDSON BAY HAS OPERATING PROFIT EACH MONTH IN '32

Costs Close to $2 Per Ton of Ore to Drill Below 900 Ft.

While figures have not been published, The Financial Post understands from official sources that the Hudson Bay Mining & Smelting Co. has shown an operating profit every month of the current year, despite the lowest prices in history for copper and zinc, the company's principal products.

A short time ago it was announced that the mill normally designed for a capacity of three thousand tons daily had through minor refinements been stepped up to a four thousand ton capacity which was effective in further reducing the abnormally low cost prevailing at the property. It is estimated in reliable circles that present costs at the property are among the very lowest of any base producer on the continent. With blister copper and refined zinc loaded on the cars it is close to $2 per ton of ore treated. One of the contributing factors to this abnormally low cost is cheap power, which is generated by the company's own plant, and which involves no other charge than maintenance costs. Another factor is that about two thirds of the ore mined comes from open pit operations, which is handled by electric shovels.

Ore Is Low Grade

With copper and zinc producers throughout the world in the throes of a depression and unprecedented prices, it is of particular significance that a property like the Hudson Bay Mining & Smelting, located in the hinterland of Manitoba—the farthest north smelting operation in the British Empire, should have costs that mark it among the lowest cost producers on the continent. It is more significant that these low costs should prevail and a profit be shown when consideration is given to the low grade nature of the ore treated.

While the estimated ore reserves of the company are given at 18,000,000 tons this is based on lateral work only to the 500 ft. level and on diamond drilling to a depth of 900 ft. It is now proposed to prospect by diamond drilling the ore body below the 900 ft. level and lay plans for sinking shafts to lower horizons.

SAN ANTONIO MINES

Production Started, But Too Early to Appraise Potentialities

San Antonio Gold Mines was incorporated in July, 1931, as a reorganization of the San Antonio Mines owning a gold property consisting of 930 acres in the Rice Lake area, Manitoba.

Early in 1932 a 150-ton daily capacity mill was completed on the property and initial production started.

The predecessor company carried out an extensive development programme to a depth of 975 ft. where 61,000 tons of ore averaging $13.25 per ton over a width of 5 ft. was indicated. Upon reorganization of the company Hollinger Consolidated Gold Mines provided finances to bring the property into production and owns control of the company.

No statement of operations since the property was placed in production has been made, but exploration work is understood to have added to the known ore reserves and the success of the company as a possible enterprise will be dependent upon the fruitfulness of its further search for ore.

The entry of Hollinger into the financial sponsorship of the company assured it sufficient funds until it was on a self-supporting basis.

Common Shares — Par, $1. Outstanding, $2,116,666.

Price Range:	High	Low	Latest
*1932	.46	.25	.45
1931	.45	.25	...

Listed: Standard Mining, Toronto.

*To July 25.

ASHLEY GOLD

Pioneer of Reviving Interest in Matachewan—Building Mill

Ashley Gold Mining Corp. was incorporated in 1931 as a subsidiary of the Mining Corp. of Canada to develop a gold prospect in the Matachewan area, Ontario. The success met with in the development work prompted the company to start the construction of a 150-ton mill early in 1932 which is planned for operation next autumn.

The properties consist of approximately 950 acres in one group, 5,000 ft. along the strike to the vein astride the boundary of Bannockburn and Argyle townships in Matachewan area, about 45 miles from Elk Lake on the T. & N. O. Railway. It is the most advanced of any property in the area and is pioneering the revival of interest in the Matachewan district.

Early in 1931 an incline shaft was started and sunk to the 500 ft. horizon which confirms the surface exploration and diamond drill results. Lateral work on levels opened up at intervals of 125 ft. opened up sufficient ore to warrant the construction of a mill, although no estimate of potential ore has been made public. Drifting on the various horizons shows considerably more than 50 per cent in ore of excellent milling grade with the 500 ft. horizon looking the best with 82 per cent of the drifting in ore.

The company has an authorized capitalization of $3,000,000 in $1 par value shares. The Mining Corp. of Canada has about 70 per cent interest while Quemont Mining Corp., another Mining Corp. subsidiary, has about 15 per cent interest, the balance being divided principally between the stakers of the property, Ashley, Garvey and Strong.

No stock has been offered to the public nor are the shares listed.

ELDORADO MINES

Pioneering Exploitation of Great Bear Lake Silver-Radium Area

Eldorado Gold Mines, incorporated in 1926, is the outgrowth of a prospecting syndicate headed by LaBine Bros., of Toronto. Renewed interest in the company was manifested when Gilbert LaBine made the pioneer find of radium ore at Great Bear Lake, Northwest Territories, early in 1930. This find precipitated a rush into the area where the company has protected its interests by staking approximately 5,000 acres adjacent to Echo Bay.

The development work is being aggressively conducted to determine the potentialities of the radium ore and high grade silver found. High grade samples have been encountered, but not until the present programme is completed will information be available as to the possible tonnage or ore potentialities. The radium find is regarded as the largest on the continent and 20 tons shipped to the mines department, Ottawa were amenable to treatment and confirm reports of the high grade nature of the ore indicated by previous samples.

New Plant Planned

The company has maintained a party at the property, pioneering the development work of the area, and operations this summer have been responsible for bagging high grade silver ore which will be shipped out for treatment. To facilitate development work a Diesel engine driven mining plant is being transported to the property and this will be operated on crude oil from the Fort Norman wells, recently put into production.

Development work has been proceeding in an encouraging manner and high grade pitchblende is being made ready for shipment to a new plant the company plans establishing in the vicinity of Toronto for the treatment of the ore.

The company is adequately financed for the present magnitude of operations, having conserved its funds from initial financing, and on December 31, 1931, it had a working capital of $318,637.

The pioneer nature of the company's efforts lends great interest to its operations which only await practical demonstration to determine the position the company will occupy as an independent source of radium, now controlled by Belgian interests. The high grade nature of the silver ore lends promise for profitable operation once the extent is determined.

Transportation difficulties, which until recently, were a problem, have been mitigated by reduced airplane transportation rates and improved water transportation facilities, while the company's immediate power requirements have been provided for by the opening of the Fort Norman wells providing crude oil.

Common Shares — Par, $1. Outstanding, $2,805,133.

Price Range:	High	Low	Latest
*1932	1.55	.76	.136
1931	1.68	.20	....

Listed: Standard Mining (unlisted), Toronto; Dominion Exchange, Toronto.

*To July 25.

MOSS GOLD MINES

Old Producer is Rehabilitated to Pioneer Renewed Interest in Area

Moss Gold Mines was incorporated in 1927 to rehabilitate one of Ontario's earliest gold producers known as the Huronian mines, consisting of approximately 900 acres in the Moss township, Thunder Bay district. It is the only gold producer in the area, operations having been inaugurated by the present company in March, 1932. Mine developments by the present company have been carried to a depth of 775 ft. and estimated ore reserves are approximately 100,000 tons or about three years' supply at present mill capacity.

Inasmuch as operations only started in March, no true indication is available as to the grade of ore available or earnings.

The company is pioneering the interest in the area there is little to guide one in appraising its potentialities. The ore is high grade, but erratic in nature and the measure of success will be allied with the grade and volume of ore it is possible to prove up.

As at December 31, 1931, the company had current assets of $123,565 as against current liabilities of $19,377.

Common Shares — Par, $1. Outstanding, $4,000,000.

Price Range:	High	Low	Latest
*1932	.45	.19½	.32
1931	.63	.20	...

Listed: Standard Mining, Toronto; Montreal Curb; New York Curb.

*To July 25.

Brett-Trethewey Mines

Brett Trethewey Mines was incorporated in 1927 by a well known group of Toronto mining men headed by F. L. Trethewey as president and general manager, to prospect for and develop mining properties.

The company's principal holding is 30 per cent interest in a gold prospect, staked in 1931 in Swayze township, Sudbury district, Ont. This is a pioneer effort in the area to develop a gold mine and results to date from surface work have been most encouraging with a large number of veins giving good assays in a fractured zone 600 to 800 ft. wide over a length of 5,000 ft. Work is proceeding but is handicapped by lack of transportation facilities.

Common Shares — Par $1. Outstanding, $1,820,000.

Price Range:	High	Low	Latest
*1932	.09	.02½	.07
1931	.12	.01	...

Listed: Standard Mining, Toronto, (Curb section).

*To July 25.

Caribou Gold Quartz

The Caribou Gold Quartz Mining Co. was incorporated in 1927 to explore further several quartz veins believed to be the source of the placer deposit in Loughee Creek, three miles east of Barkerville, B.C. The property has been developed by a tunnel driven into the mountain side where encouraging results have been met with but, due to the nature of the vein system, no estimate of the potential ore has been made.

The development of the company's property is writing an interesting chapter in the history of gold mining in that province. As heretofore it has been regarded as improbable that the old placer areas worked years ago had a chance of becoming a lode mining area. Developments have reached the state where a 25 ton test mill was warranted and construction is nearing completion with operations planned to start in August, 1932.

The property has been financed by O. H. Solibacke, of Seattle, Wash., and the company will start operations with approximately $50,000 in working capital.

Toburn Gold Mines

Toburn Gold Mines was incorporated in 1931 by Premier Gold Mining Co. to further prospect the mine making possibilities at Kirkland Lake of the old Tough-Oakes-Burnside Gold Mine, which went into bankruptcy. Since incorporation development work has been aggressively carried on and an ore shoot opened up from the 542 to the 1,018 ft level. Here 35,485 tons of ore of an average grade of $14.20 per ton, has been indicated with further ore in evidence.

The old 100 ton mill on the property is being rehabilitated and it is anticipated production will be started in August, 1932.

Adequate financing of the company's operations is assured through the option held on the stock by Premier. Old Tough - Oakes - Burnside Gold Mines bondholders will receive approximately 40c per share, while the common shareholders have no equity in the property.

Bunker Hill Extension Mines has a minority interest in Toburn, given in consideration of the original option being taken.

Shares of the company are not listed and there is practically no public interest in the company.

Sullivan Con. Gold Mines

Sullivan Consolidated Gold Mines Ltd. was incorporated late in 1931 to succeed Sullivan Gold Mines owning a gold prospect consisting of 412 acres in Dubuisson township, Northwestern Quebec, adjoining the Siscoe Gold Mines.

Interests closely associated with the Lindsley enterprises have undertaken to provide necessary funds for conducting an extensive development programme.

Previous companies sunk a shaft to a depth of 275 ft. and further exploration work is now under way to prove up a continuation of the Siscoe ore zone into the Sullivan property.

The Sullivan property took on new importance with the development of the Siscoe and the general manager of the latter company is acting as general manager of Sullivan in an effort to bring the property into production.

Common Shares — Par, $1. Outstanding, $2,090,000.

Price Range:	High	Low	Latest
*1932	.12½	.07	.12½
1931	.19	.07	...

Listed: Montreal Curb.

*To July 25.

General Sugar Takes Old Atlantic Name

From Our Own Correspondent

MONTREAL.—General Sugar Refineries, the newly formed organization which acquired Atlantic Sugar Refineries, has changed its name to that of the original company. Henceforth General Sugar Refineries will be known under the old appellation of Atlantic Sugar Refineries.

It is understood that the name General Sugar was adopted only to differentiate between the old and new companies during the process of acquisition. Now that the old company has been wound up and its charter dropped, General Sugar is free to adopt the old name which is well known to the trade.

SEARCH FOR GOLD BRINGING RESULTS ALL OVER CANADA

Government Aids Prospectors With Maps of Formations

FIELD IS LARGE

Depression Increases Value of Old Properties and Leads to Rehabilitation

By HUGH RONYON

The bullion ship "Egypt" foundered off Ushant years ago. In her vaults were gold bars and sovereigns worth £2,000,000 bound for the Bank of England. After three years of infinite trouble, driven again and again from her task by stormy waves, and confronted by all sorts of undersea difficulties, divers and dynamite from the Italian vessel "Artiglio" have flashed their way to the "Egypt's" bullion, and the lost cargo of gold is being recovered. All the world applauds the pluck and determination of the gallant Italians, yet during these same three years the gold mines of Ontario, with only ordinary mining troubles, have poured twelve times as much gold into the veins of commerce as were contained in the "Egypt's" hold.

The world is awakening to the fact that in the northern parts of Ontario and her neighboring Province of Quebec, there are sources of gold some of which are second in productivity only to the famous mines of Johannesburg. They are taking notice of this at Washington, from which a despatch speaks in appreciative terms of the gold yield of Ontario. It is a fact that the Lake Shore and Hollinger mines rank high among the gold producing mines of the world and are comparable in richness to the leading mines of the Rand. The Lake Shore, indeed ranks fifth in yield of the world's gold mines. Known reserves of ore are large in both Porcupine and Kirkland Lake. How long these mines will continue to produce no man can tell. A mine is confessedly a wasting asset, and the time will come when the thunder of the stamps at Johannesburg and the rumble of the ballmills in Northern Ontario, will be stilled.

Good Mines Die Hard

A year or two before the war, one closely connected with the management of the Hollinger mine, when asked how long he thought the mine would last, said "at least fifteen years." The suggested period has long expired, yet the Hollinger is still going strong. All good mines die hard. In the case of the Hollinger new and valuable ground has been added. Deep exploration at Kirkland Lake has shown large ore bodies previously unknown. But the needs of the present generation must be served. The flow of commodities from producer to consumers, which comprises the trade of the world, must go on. Laboring heavily as it is at the present time, this trade will again recover its wonted volume, and all are looking to Ottawa for a fresh impetus and a new outlook.

The gold standard is not easily abolished, for no one sees anything tangible to replace it. Even if silver should be yoked up with the more precious metal to help bear the burden of exchange, gold is at present indispensable. The prospects of increased production in Ontario are bright. Our established mines have almost one and all enlarged the capacity of their mills or have introduced new methods to increase their bullion output. It is predicted that at the present rate of production 1932 will show an Ontario production of close to $48,000,000.

Exploration Field Large

The field for exploration is large. A recent estimate at Ottawa is that not more than ten per cent of the northern part of the Canadian shield, which has a total of 1,825,000 square miles, is underlain by rocks in which mineral deposits are likely to occur, but it is added "even this amount is still a very large area and affords plenty of ground for prospecting." Our prospectors are not likely to be deterred by figures such as these. Wise in their generation, many of them can distinguish a favorable from an unfavorable area, and within the more limited space know what rocks and rock associations are most likely to reward their search. What we need at the present time is more prospecting. It is not now so difficult as formerly to procure capital for developing a meritorious prospect, but prospects must be found. The geological maps and reports issued by the Mines Departments at Toronto and Ottawa are of great service to the prospectors. But no geological map will indicate actual gold deposits. Ore showings must be searched for carefully and intelligently. Small granite bosses in contact with older rocks, shear zones cutting porphyry or rhyolite, quartz veins, gold-bearing sulphides, should be looked for, and if found carefully examined, for they may contain riches surpassing those of Solomon. Much the larger share of Canada's gold is produced by Ontario, and this fact enhances her position among the sister provinces in the Confederation family.

Gold Profits by Depression

It is an ill wind that blows nobody good. The world at large has been shivering under the bitter blasts which have ravaged national and international trade, but they have not only left untouched but have actually given new life to the gold-mining industry. The costs of supplies of every kind have been greatly reduced, and in Canada the discount on the Canadian dollar does not figure in the price the mines receive for their gold, since they are paid in United States funds or its equivalent.

In every gold-producing country gold mining is on the upswing. In South Africa the giant mines are adding to their output, and the industry there is visualizing the immense resources of low grade ore in the hope, and one may say expectation, that ere long processes may be evolved which will make them yield a margin over cost of operation. Already on the continent of America, we have examples of low grade mines being worked at a profit. Alaska Juneau's milling ore contains about $1 per ton in gold and the Howey at Red Lake about $4, yet both not only continue in operation, but are making money.

In California long closed mines are being re-opened, and the cradle and long tom are again busy on the old worked-out placer fields, where the unemployed are glad to wash out a rate of $1 or so per day, enough at least to keep them from starvation. Ontario too has her abandoned fields. About 35 years ago hopes ran high in Lake of the Woods and Siene River regions, where gold was found over widespread areas. About $2,000,000 were produced between 1897 and 1903, but notwithstanding the occurrence of very rich and spectacular nuggets, conditions seemed unfavorable, and this great potential field lapsed as a whole into desuetude. Two or three mines, like the Sultana and Mikado, produced considerable gold, but in no case was a greater depth reached than 600 feet.

Small Mill Has Place

The day of the small mill is at hand, and in this western field there may be an opportunity for it to show its value. Instead of a few huge and expensive plants warranted only by large and proven bodies of ore, small mills at a cost of $10,000 or upwards, crushing the rock as it is mined from the mines, will give employment to groups of men, numbering say from 15 to 20 in each, and if on well chosen ground and especially if run on a co-operative basis, might yield over cost sufficient for the maintenance of all and perhaps a little over. Gold is now the metal in the limelight, it will buy more food and more clothing, and it will provide better shelter and more of the necessaries and comforts of life than ever before.

Mining Corp's Silver Output Makes Record

At a time when Mining Corporation is supposed to be singing its swan song as a silver producer it becomes news when the first six months' operations for the current year give a silver production of close to one million ounces or greater than any prior year since 1927, emphasizing that a good mine dies hard.

In explanation for this unexpected production it is only necessary to reflect on an ingenious mining operation undertaken by the company a few months ago when the tailings deposited in Cobalt Lake were precipitated to the lower workings of the mine by breaking through the old lake bottom, exposing an exceedingly rich vein of silver in the sides of the lake that had been covered up by water and tailings. It is also interesting to note that while the company's production figures and earnings for the first six months are not yet available, they will probably reveal the lowest cost per ounce of silver mining operations the company has enjoyed in years as it was only necessary to take off the high grade vein from the shore of the lake.

Sherritt-Gordon Mines

Sherritt-Gordon Mines was incorporated in 1927 by the Lindsley interests of Toronto to develop a copper-zinc property in Northern Manitoba. After starting milling operations in March, 1931, operations were suspended in May, 1932, owing to low copper prices.

The company's property consists of approximately 100 claims, 75 miles north of The Pas, Manitoba, served by an extension of the Canadian National Railway. Here the mine has been developed to a depth of 650 ft. and 4,138,075 tons of ore assaying 2.75 per cent copper, 3.28 per cent zinc, 37 cents per ton in gold and 45 cents per ton in silver, proven up.

The first unit of a three-unit, or 1,800 ton daily capacity flotation concentrator was started in March and proved capable of treating approximately 1,000 tons daily. From this production it was determined that the mine was a low cost producer with its ore amenable to efficient treatment. Operating costs were shown to be 6.31 cents per pound and total costs including write-offs and reserves brought the costs up to 8.17 cents per pound.

Blister Copper Shipped

The company in its initial operations only produced blister copper concentrate which was shipped to the Flin Flon smelter while the blister copper produced was shipped to the Ontario Refining Co. at Copper Cliff.

Declining copper prices and the inability to dispose of all the copper produced, coupled with fixed overhead charges for transportation and smelting and refining, made it close down operations pending a return of higher copper prices.

The balance sheet of the company on December 31, 1931, showed current assets of $755,172 as against current liabilities of $151,829 giving a net working capital of $603,382, largely comprised of copper inventories.

With this working capital officials believe that shut-down expenses can be met.

The outlook for the company resuming operations is entirely dependent upon higher prices for copper. Whether or not the company will require refinancing to resume operations is dependent on how long a time lapses before higher copper prices prevail.

Common Shares — Par, $1. Outstanding, [illegible]

Price Range:	High	Low	Latest
*1932	[illegible]	[illegible]	[illegible]
1931	[illegible]	[illegible]	...

Listed: Standard Mining, Toronto; Toronto Curb; Vancouver Stock Exchange.

*To July 25.

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WHEAT MARKET SHOWING EFFECT OF HOT WEATHER

Some Deterioration Noted in Saskatchewan and in States

From Our Own Correspondent

WINNIPEG.—The wheat market is showing a tendency to be susceptible to weather conditions, a fact which seems to indicate somewhat more fundamental strength than has been apparent in recent weeks.

A certain amount of uneasiness has been expressed from Chicago lately about artificial support which has been thought to be in evidence lately in Winnipeg, putting our market at a somewhat greater premium over Chicago than would have been justified by the exchange condition and by the quality of our wheat.

Chicago Closing

A rather slight flutter of interest was roused by the news that the Chicago Board of trade had been ordered to close its market for 60 days beginning August 8, as a penalty to what was considered to be a breach of the Grain Futures Act. But this interest subsided when it became apparent that this order was not intended to be operative, and was simply the first formal step necessary to finding out whether or not the exchange is bound by law to admit to membership in its clearing house the Farmers' National Grain Corp., operating subsidiary of the Farm Board under the act. While such suspension can be ordered by a committee of three members of the cabinet, the order is immediately suspended by an appeal to the courts, pending the hearing of such appeal.

If it is found by the courts that the Board of Trade must comply, it is expected that it will do so. As it is expected that the validity of the Grain Futures Act of the United States may be challenged as unconstitutional a long drawn out series of appeals, culminating before the Supreme Court is considered to be possible.

European Prospects

Most recent European news indicates that Germany is still counted on to have a wheat crop much larger than last year, but that the French crop is likely to be much smaller than was earlier anticipated, while the Italian crop may be decidedly less than last year. The Danubian countries are to have a short crop, with possibly no export surplus. General opinion is that weather in Russia has been unsatisfactory, and that no great quantities of Russian wheat will be exported this year. A few offers for August shipment have been recorded but little in the way of vessel charters, whereas a year ago at this date charterings for South Russian shipment had been decidedly heavy at this date.

The most significant crop news from the North American continent concerns deterioration in the spring wheat crop of the Northwestern states. Whereas up until recently the government estimate of approximately 300 million bushels had been considered sound, the trade now subtracts at least 50 million bushels from that quantity.

Deterioration in West

In Western Canada there has been deterioration in parts of Saskatchewan during the past week. And in some districts the outlook is now poor, the effect of lack of sub-soil moisture is making itself felt as the season advances and hot weather has been maturing the grain too rapidly for satisfactory development. The concensus of opinion among elevator men would probably give a total yield closer to four hundred than to four hundred and fifty bushels. But it is only by luck that anyone can guess the outcome at this date within ten per cent of the actual total to be realized, and it must be remembered that making all allowances there is still a very large area of very fine crop.

Some small amount of cutting has already begun, and harvest should be well under way in parts of Manitoba by the first of August. But a good deal of crop will hardly be ready to cut before the end of that month. Fear of serious rust damage has gone as it is in the districts usually most susceptible to rust that the crop is maturing most rapidly.

Weather both in Europe and North America should be highly important in governing the course of the market during the next few weeks. Any feeling that the Ottawa Conference is likely to take steps leading to further depreciation of the Canadian dollar which late despatches indicate as a possibility, might result in speculative buying or holding of futures in anticipation of the rise in nominal prices in Canada which would probably follow.

WEATHER CAUSES DETERIORATION

Rain Urgently Needed if Crops Are to Fill Properly

In general, weather in the Prairie Provinces during the past week has been hot and dry with only light and scattered showers throughout Saskatchewan and Alberta, according to the weekly crop report of the Dominion Bureau of Statistics, dated July 26. As a result the past week has seen the prairie wheat crop attacked at its vulnerable points. Hot, dry weather has given a definite setback to crops where subsoil moisture supplies are lacking and current rainfall insufficient. The principal areas showing deterioration are south-central Saskatchewan, some areas of central Saskatchewan, southeastern Alberta and the Peace River district. In addition, large areas in southern Saskatchewan need rain urgently if crops are going to fill properly. Reports from Edmonton, Camrose and Cardston also indicate that rain is needed to maintain present prospects.

In areas where moisture supplies have been plentiful this year, the weather of the past week has hastened crop development especially where stands are heavy. Crop prospects continue good in southwestern Alberta, central and northern Alberta with the exception of the Peace River district, west central and east central and northern Saskatchewan. The wheat crop in Manitoba is maturing rapidly and harvesting has commenced, but will not be general until next week.

August Dividend Payments Drop Down to $4,391,902

Less By $410,000 Than Same Month in 1931—Five Dividends Passed, Two Deferred and Five Reduced—Shawinigan Made Highest Payment — Bond Interest $16,357,653

Total dividend disbursements by Canadian corporations in August are computed by The Financial Post at $4,391,902 as compared with $4,801,454 for the same month in 1931 and $7,037,106 for August in 1930. Dividends were passed on Dominion Tar preferred, Foundation Co. common, Power Corp. common and Service Stations preferred and "A" preferred stocks. Foreign Power preferred and Northern Trusts common dividends were deferred, and dividends were reduced on Canadian Investors, Dominion Bridge and Russell Motors common and on Dominion Scottish Investment and Cosmos Imperial preferred stocks.

Largest dividend disbursements in August will be by the following: Dominion Bridge, $256,975; Hollinger Mines, $246,000; Hydro Electric "B" preferred, $251,550; Imperial Bank, $210,000; International Nickel preferred, $483,486; Quebec Power, $203,683; Shawinigan Water & Power, $544,562; Steel of Canada common, $201,250 and preferred $113,685; Teck-Hughes, $719,571; and Southern Canada Power, $100,000, all other disbursements being below $100,000.

The largest bond interest payments are by the Canadian National Railway which pays more than $2,000,000 in August.

SUMMARY OF PAYMENTS

Dividends	$ 4,391,902
Bond interest	16,357,653
Total	$20,749,555

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Acme F. Dairy pfd.	3½s	10	$ 24,500
Beatty Bros. 1st pfd.	$1.50q	1	18,750
Belding Corticelli, c.	1¾q	1	13,115
B.C. Tel. 2nd pfd.	1½q	1	67,500
Calgary Power pfd.	$1.50q	1	90,000
Can. Bronze	31¼c.q	1	25,000
Do., pref.	1¾q	1	12,600
Canadian Car c.	15c.q	30	54,870
Can. Converters	50c.q	15	8,667
Can. Dredge pfd.	1¾q	1	1,459
Can. Investors, c.	10c.q	2	10,000
Canadian Oil, c.	25c.q	15	35,941
Coast Breweries	35c.q	1	68,075
Confed. Invest. pfd.	75c.q	1	2,131
Coniaurum Mines	3c	15	80,923
Cosmos Imperial pfd.	87½c.q	15	12,156
Disher Steel pfd. "A"	37½c.q	2	4,734
Dom. Bridge	50c.q	15	256,975
Dom.-Scottish Inv. pfd.	25c.q	1	14,925
East. Dairies c.	25c.q	1	23,487
Fuller Geo. A. (Can.) pfd.	1¾q	1	11,250
Guelph Carpet pfd.	1¾q	1	14,966
Hamilton Bridge pfd.	1¾q	1	35,750
Hollinger Mines	1%	11	246,000
Humberstone Shoe	50c.q	1	10,000
Hydro Elec. Sec. "B" pfd.	25c.s	1	251,550
Imperial Bank	3q	1	210,000
Inter. Nickel pfd.	1¾q	1	483,486
Inter. Utilities pfd.	87½c.q	1	70,651
Do.	$1.75q	1	55,077
MacKinnon Steel pfd.	1¾q	1	9,625
Mansfield Theatre pfd.	3.50s	1	26,250
Montreal Dairy "A" c.	43¾c.q	1	13,790
Mtge. Corp. of N.S.	1¾q	1	11,900
Neon Prod. W. Can. pfd.	75c.q	1	4,500
Ontario Steel pfd.	1¾q	15	6,304
Paterson, Wm., pfd.	1¾q	1	1,086
Penmans	75c.q	15	48,388
Do., pref.	1½q	1	16,125
Quebec Power	37c.q	15	203,683
Royal Trust	80c.q	1	80,000
Russell Motor	25c.q	1	2,000
Do., pref.	1¾q	1	21,000
St. Law. Flour pfd.	1¾q	1	10,062
Second Std. Royalties pfd.	1%	1	28,333
Sherbrooke Trust	$1.50q	1	4,500
Shawinigan W. & Pr.	25c.q	15	544,562
S. Can. Pwr. c.	25c.q	15	100,000
Steel of Can.	43¾c.q	1	201,250
Do., pref.	43¾c.q	1	113,685
Teck Hughes	15c.q	1	719,571
Weston, Geo., pfd.	1¾q	1	15,750
			$4,391,902

BOND INTEREST DUE IN AUGUST

Company	Rate	Date	Due	Amount
Belanger, A.	6	1	Serial	$ 27,837
Bishop Realty	7	1	1947	10,500
Do., 2nd mtg.	6½	1	1950	9,750
Bloor St. G. Rlty.	7	15	1946	17,671
Do., 2nd mtg.	6½	15	1941	3,250
Canada Bread	6	1	1941	29,619
Canada Foundries	6	2	1942	5,352
Canada Machinery	6	1	1940	5,271
Can. Nat. Rly. Eq. "G"	5	1	Serial	262,500
Do., Gtd. Gold	5	1	1970	450,000
Do., Gtd. Gold	5	1	1954	1,250,000
Can. Nor. Rly.	4½	15	1935	382,500
Can. P.&P. Inv. 'A'	5	1	1958	40,000
Can. S'ships debs.	5	15	1943	62,427
Can. Vickers, "A"	6	1	1947	78,090
Cons. Inv. "A"	4½	15	1959	161,122
Cont. P. Prod.	6½	1	1943	16,428
Confed. Amuse.	6½	1	1951	10,562
Dom. Bldg.	6½	1	1942	13,000
Dom. Tel. Secs.	5½	2	1978	27,500
Drum. St. Realty	6½	1	1942	17,306
Drumheller Coll.	7	1	1943	12,271
Dryden Paper	6	1	1949	45,000
Federal Grain "A"	6	1	1949	124,770
Georgetown C. Pap.	6½	1	1947	5,996
Ham. By-Product	7	1	1943	45,038
Holt Renfrew	6½	1	1937	15,112
Lake St. John Pr.	6½	1	1947	158,860
Do., mtg. deb. 'A'	6½	1	1942	92,592
Lincoln Pulp	7½	1	1942	24,895
Low. St. Law. Pr.	7	1	1947	26,250
Do., 2nd mtg.	8	1	1932	14,000
Maclaren Que. Pr.	5½	1	1961	330,000
Malagash Salt	6	1	1947	16,250
Med. & Dental Bldg.	6	15	1944	29,250
Mex. L.H. & Pr.	5	1	1940	268,075
Mtl. Dry Docks	5	1	1948	17,910
Nat. Grocers	6½	15	1937	37,500
Price Bros.	6	1	1943	331,848
Shawinigan "C"	5	1	1970	374,500
Stock Ex. Bldg.	6	1	1944	16,002
Suburb. Rap. T.	5	1	1938	12,500
Walmsley, Chas.	6	1	1943	23,310
Wood, Alex. & J.	6	1	1944	9,030
Zimmerknit 1st	6	1	1951	7,500
Zimmerknit 2nd mtg.	6	1	1961	15,000
Corporation				4,934,144
Provincial				*4,869,339
Municipal				*5,541,670
Dom. Loan (1926).	4½	1	1946	1,012,500
				16,357,653

*Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Declare Dividend

Dominion-Scottish Investments directors have declared a dividend on the 5 per cent cumulative redeemable preference stock (par value $50) at the rate of 2 per cent per annum for the quarter ending July 31, 1932, payable on August 1, 1932, to shareholders of record at the close of business on July 20, 1932.

G. W. SADDLERY CO. CUTS YEARLY LOSS, BANK LOAN DOWN

Large Western Crop This Year May Improve Co's Earnings

Great West Saddlery Co. improved its working capital position in the year ended June 30, 1932, and at the same time reduced the annual deficit after depreciation and bond interest from $278,834 to $53,367. Before depreciation and bond interest there was even a net profit of $27,080. The accumulated deficit now stands at $355,923.

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1932 $	1931 $
Net profit	†27,080	*‡278,834
Less: Depreciation	37,355	....
Bond interest	43,092	....
Deficit	53,367	278,834
Less: Trans. from s.f.	7,350	....
Deficit for year	46,017	278,834
Prev. deficit	309,906	31,072
Deficit carried fwd.	355,923	309,906

*After providing for all operation and administration charges, depreciation, bond interest, etc., but before income tax. ‡Loss. †Before providing for depreciation and bond interest.

Bigger Crop Gives Hope

The letter to shareholders, signed by the president, A. D. A. Spence, under date of July 20, 1932, states that the small wheat crop of 1931 along with the low average price combined to make the most difficult trading conditions in the experience of the company. He expects that conditions will gradually improve during the next 12 months and that the company's showing will reflect the change. This opinion is almost wholly based upon the expected size of the wheat crop and the hope that world conditions may undergo a radical change for the better.

Working capital declined from $1,089,157 to $1,041,926 but the ratio of current assets to current liabilities advanced from 5.61 to 1 to 6.45 to 1, as seen by the following table:

Working Capital

	1932 $	1931 $
Current assets	1,232,929	1,325,263
Current liabilities	191,003	236,106
Working capital	1,041,926	1,089,157
Ratio	6.45—1	5.61—1

Principal changes in the current assets were a decline in accounts receivable from $655,107 to $617,353 and a decline in inventories from about $665,000 to $613,215.

The secured bank loan declined from $133,000 to $82,000 and the bank overdraft advanced from $19,449 to $34,974. On balance this shows a reduction of the indebtedness to the bank. Accounts payable dropped from $68,096 to $59,539 and bond interest payable from $15,560 to $14,490. The latter was on account of redemption of some of the six per cent bonds so that the amount outstanding declined from $746,500 to $670,500.

Mining Stock Quotations

Week Ending July 25.

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close July 18 (or last)	High for week	Low for week	Close July 25
1	.05¼	.03	Abana	.....	.03	.....	.....	.....
1	.03	.00½	Aconda	.....	.00½	.....	.....	.....
	.14	.11	Algoma	67,200	.....	.14	.11	.13½
No	.15	.15	Aldermac	.....	.15	.....	.....	.....
1	.09	.00¾	Alexandria	28,000	.01½	.01½	.01½	.01½
1	.01½	.00½	Algonquin	1,000	.00½	.00½	.00½	.00½
1	.01¾	.00½	Amity C.	1,000	.00½	.00½	.00½	.00½
No	.22	.06	Amulet	2,600	.12	.12½	.11	.12
1	.00½	.00½	Apex	.....	.00½	.....	.....	.....
1	.02¾	.01	Area	2,000	.02½	.02½	.02	.02
No	.03	.00½	Arno	27,800	.02	.02½	.02	.02
1	.02¾	.02	Astoria Rouyn	.....	.02½	.....	.....	.....
1	.07	.02	Bagamac	1,500	.03½	.03½	.03½	.03½
1	.01¾	.00½	Baldwin	6,500	.00¾	.01¾	.00¾	.01¾
1	.12	.03½	Barry Hollinger	12,050	.07½	.09	.08	.08
No	1.00	.30	Base Metals	800	.55	.60	.55	.56
No	.12	.01	Bidgood	25,700	.02¾	.03	.02½	.02½
1	.16½	.04	Big Missouri	8,700	.09	.10	.08	.09
1	.05½	.02	Bobjo	15,500	.04	.04½	.04	.04½
1	.09	.02½	Brett Tretheway	1,000	.08	.07	.07	.07
No	.03	.00¾	Brownlee	18,100	.01¾	.01½	.01	.01¾
1	.00½	.00¾	Buckingham	.....	.00½	.....	.....	.....
No	.36	.02	Buffalo Can.	18,500	.05	.09¾	.06	.09½
No	.04	.01	Bunker Hill	24,600	.03	.04	.02¾	.04
5s	.50	.10	B'Wana McKubwa	.....	.10	.....	.....	.....
No	.01	.00½	Cal. Flin Flon	.....	.01	.....	.....	.....
No	.03	.02	Canam Metals	.....	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland	.....	.02½	.....	.....	.....
1	.09	.00¾	Canusa	12,500	.02½	.06	.02½	.04
No	.02½	.00¾	Capital Rouyn	2,000	.00¾	.00¾	.00¾	.00¾
1	.07	.02½	Cartier Malartic	8,000	.02½	.04½	.02½	.04½
1	.16	.09	Castle Tretheway	7,100	.16	.16	.11½	.14
1	.09	.04	Cen. Manitoba	8,100	.06	.09	.07	.09
1	.08	.02	Cen. Patricia	3,300	.08	.07½	.07½	.07½
No	.07½	.01½	Chibougamau Pros.	1,700	.02¾	.05	.04¾	.04¾
No	.02	.00¾	Clericy	5,000	.01½	.01¾	.01	.01¾
5	3.00	.45	Coast Copper	500	1.30	1.15	1.00	1.05
1	.02	.00¾	Cobalt Contact	4,000	.01½	.01¾	.01½	.01¾
No	.16	.15	Cobue	.....	.15½	.....	.....	.....
1	.08	.03	Columario	13,205	.03½	.06	.03¾	.06
5	.80	.69	Coniagas	.....	.69	.....	.....	.....
No	.45	.28	Coniaurum	4,818	.40	.45	.40	.45
25	75.00	25.00	Cons. Smelters	2,348	50.00	58.00	48.50	56.50
No	12.65	9.00	Dome Mines	10,300	12.15	12.65	12.00	12.30
No	.10	.02	Dom. Explorers	24,000	.04½	.05	.03¾	.05
1	.01	.00¾	Don Rouyn	.....	.00¾	.....	.....	.....
	.04	.03¾	Duparquet	1,200	.04	.03⅞	.03⅞	.03⅞
1	1.55	.76	Eldorado	20,650	1.25	1.40	1.23	1.36
No	1.24	.47	Falconbridge	6,420	.89	1.24	.89	1.15
1	.04	.00¾	Federal	1,000	.01½	.01½	.01½	.01½
No	.00½	.00½	Flintoba	.....	.00½	.....	.....	.....
No	.07	.00¾	Gem. Lake	8,300	.01½	.01¾	.01¾	.01½
1	.02¾	.00¾	Goldale	1,500	.02	.02	.02	.02
10	.11	.05½	Goldfield	500	.10	.10	.10	.10
1	.00½	.00¾	Gold Hill	.....	.00¾	.....	.....	.....
1	.04	.03	Goodfish	5,000	.03¾	.03¾	.03	.03
1	.01	.00¾	Graham	.....	.01	.....	.....	.....
1	1.25	.50	Granada	16,520	.75	.85	.75	.85
1	.22	.08	Grozelle	6,500	.10	.08	.08	.08
1	.02¾	.01	Harker	5,000	.01½	.01	.01	.01
1	.01¾	.00¾	Hilltop	11,000	.00⅞	.00⅞	.00¾	.00⅞
5	5.70	4.24	Hollinger	6,580	5.30	5.60	5.20	5.60
1	.49½	.26	Howey Gold	18,345	.47	.49	.47	.49
No	2.78	.92	Hudson Bay	2,130	2.00	2.05	1.90	2.00
No	.20	.15	Huronian	.....	.15	.....	.....	.....
No	11.00	4.00	Int. Nickel	26,201	6.25	6.75	6.00	6.75
1	.01¾	.00½	Jackson Manion	1,000	.01	.01½	.01	.01½
1	.23	.20	Keeley	700	.20	.22	.21	.21
1	.02¾	.00½	Keora Mines	.....	.01	.....	.....	.....
1	.70	.40	Kirk. Hud. Bay	1,700	.45	.50	.41	.50
1	.02½	.00½	Kirk. Hunton	1,000	.00¾	.00¾	.00¾	.00¾
1	.55	.19	Kirkland Lake	29,900	.36	.44½	.34	.40½
1	.03½	.00½	Kirkland Premier	2,000	.01½	.01½	.01¾	.01½
1	.13	.05	Kirk. Townsite	5,000	.07	.08	.06½	.08
20c	.01¾	.00½	Koot. Florence	2,500	.00⅞	.00¾	.00¾	.00¾
1	.01¾	.00¾	La Rose	.....	.01½	.....	.....	.....
1	.41	.14	Lakeland	.....	.15	.....	.....	.....
1	30.25	24.90	Lake Shore	9,376	28.75	30.25	28.60	30.00
1	.00½	.00½	Laval	.....	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	.....	.02½	.....	.....	.....
1	.41	.13	Macassa	128,300	.23	.25	.21¾	.24½
1	.07	.02½	Malartic	14,500	.04	.05	.04	.04¾
1	.01½	.00¾	Malrobic	2,000	.00¾	.00½	.00½	.00½
No	.06	.02	Mandy	.....	.04	.....	.....	.....
No	.01½	.00½	Manitoba Basin	.....	.00¾	.....	.....	.....
5	21.35	14.70	McIntyre	7,260	19.90	21.35	19.75	21.25
1	.35	.25	McKinley	.....	.30	.....	.....	.....
No	.09¾	.02½	McLeod River	142,100	.03	.04½	.03	.03⅞
No	1.53	.58	Mining Corp.	7,710	1.46	1.51	1.30	1.45
1	.08½	.01¾	Moffatt Hall	10,500	.01¾	.02	.01¾	.02
1	.02¾	.02¾	Moneta	.....	.02¾	.....	.....	.....
1	.45	.19½	Moss	8,950	.32	.32	.30	.32
1	.02¾	.00¾	Murphy	8,000	.01	.01½	.01	.01½
No	.03	.01	Newbec	6,200	.02	.01¾	.01½	.01¾
5	1.15	.50	Nipissing	2,300	1.04	1.05	.95	1.00
No	19.80	12.50	Noranda	11,575	16.75	17.25	16.70	17.00
No	.24	.10	Nor. Canada	6,800	.13¾	.22	.15	.22
No	.01	.00½	Old Colony	.....	.00¾	.....	.....	.....
1	.08	.05	Osisko	.....	.08	.....	.....	.....
1	.10	.07	Parkhill	1,500	.07½	.08	.08	.08
1	.13¾	.11	Patricia Dent	.....	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk	.....	.01	.....	.....	.....
No	1.15	.35	Pend Oreille	225	.59	.60	.55	.55
1	.01	.00½	Peterson Cobalt	6,000	.01	.01	.01	.01
1	4.10	3.00	Pioneer Gold B.C.	1,425	3.65	3.92	3.60	3.90
1	.00¾	.00½	Porcupine Crown	.....	.00¾	.....	.....	.....
1	.02	.00¾	Potter Doal	.....	.00¾	.....	.....	.....
	.12	.12	Powell Rouyn	.....	.12	.....	.....	.....
1	.63	.32	Premier Gold	1,500	.51	.53	.51	.51
1	.00⅞	.00½	Preston E. Dome	.....	.00½	.....	.....	.....
No	.30	.15	Prospectors Air's	500	.21	.18	.18	.18
No	1.00	1.00	Quebec Pros.	.....	1.00	.....	.....	.....
No	.06	.03	Quemont	.....	.04	.....	.....	.....
No	.02½	.00½	Ribago	1,000	.00¾	.00¾	.00¾	.00¾
1	.02½	.01	Ritchie	.....	.01½	.....	.....	.....
1	.01½	.00½	Robb Montbray	.....	.00¾	.....	.....	.....
1	.46	.25	San Antonio	11,582	.42	.46	.42	.45
1	.09	.07½	Seven Troughs	.....	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon	18,295	.42½	.45	.40½	.41
1	.77½	.50	Siscoe	64,793	.71	.77½	.70¾	.77
1	.03	.00½	South Keora	.....	.01	.....	.....	.....
No	.02½	.00½	Stadacona	18,000	.01½	.01½	.01½	.01½
1	.17	.05	St. Anthony	1,500	.05	.05	.05	.05
No	.60	.16	Sudbury Basin	7,000	.40	.60	.40	.60
1	.01¾	.00½	Sudbury Contact	.....	.00½	.....	.....	.....
1	.01	.00¾	Sudbury Mines	.....	.00¾	.....	.....	.....
1	.12½	.07	Sullivan	4,300	.11	.12½	.12	.12½
1	.75½	.39	Sylvanite	46,350	.60	.75½	.60	.75
1	.07	.01	Tashota	32,000	.02½	.03	.02½	.03
1	5.25	3.10	Teck Hughes	31,685	4.32	4.40	4.10	4.30
1	.04	.02	Thom Cadillac	.....	.04	.....	.....	.....
1	.40	.10	Towagmac	500	.20	.21	.21	.21
1	3.00	1.01	Treadwell	300	1.25	1.75	1.75	1.75
1	.09½	.02	United Kirkland	3,000	.05	.06½	.05	.06½
1	.01¾	.00¾	Vacuum Gas	.....	.00¾	.....	.....	.....
No	.59	.16	Ventures	57,150	.46	.59	.45	.56
1	.17¾	.04	Vickers	.....	.06	.....	.....	.....
1	.45	.20	Vipond	3,700	.30	.40	.35	.38
No	1.00	.25	Waite Ackerman	300	.30	.40	.35	.35
1	.07	.01	White Lake	.....	.01	.....	.....	.....
1	.01	.01	Wiltsey Coughlan	.....	.01	.....	.....	.....
	.10	.04½	Wood Kirkland	1,000	.07	.07	.07	.07
No	3.06	2.09	Wright-Hargreaves	14,490	2.95	2.99	2.87	2.91
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	26,300	.12½	.16½	.12	.16½
1	1.17	.60	Ajax	5,625	.70	.86	.69	.86
1	.12	.04½	Alta. Pacific	.....	.05	.....	.....	.....
1	.03½	.02	Askalta	.....	.03½	.....	.....	.....
No	.10	.02¾	Associated	1,000	.05	.02¾	.02¾	.02¾
No	.04	.01	Baltac	.....	.02	.....	.....	.....
	.05½	.00½	Benton	.....	.00½	.....	.....	.....
1	.06	.02½	Brit. Dominion	.....	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed.	.....	.15	.....	.....	.....
1	.09	.04	Calmont	1,900	.04	.05	.04	.04
1	.11	.03	Common. Pete	500	.05½	.05½	.05½	.05½
No	.20	.06½	Dalhousie	.....	.07	.....	.....	.....
No	.01	.01	Devenish	.....	.01	.....	.....	.....
No	.02	.00¾	Dome Oil	.....	.00¾	.....	.....	.....
No	.12½	.04	East Crest	400	.06	.07	.07	.07
No	.01½	.01¾	Fabyan Pete	.....	.01¾	.....	.....	.....
No	.10	.06	Foothills	.....	.06	.....	.....	.....
No	.03½	.02	Freehold	.....	.02	.....	.....	.....
1	.02	.00½	Great West	.....	.00½	.....	.....	.....
No	.06½	.03	Hargal	.....	.03	.....	.....	.....
No	.05	.02	High Sarcee	.....	.02	.....	.....	.....
No	.47	.15	Home	1,885	.16	.25	.15	.25
No	.05	.01½	Homestead	.....	.01½	.....	.....	.....
1	.50	.09	Homestead O.&G.	10,300	.17	.25	.18	.22
1	.01	.00¾	Illinois Alberta	.....	.00¾	.....	.....	.....
No	.02½	.00¾	Lethbridge	.....	.00¾	.....	.....	.....
No	.04	.04	Lowery	.....	.04	.....	.....	.....
No	.02	.00¾	Madison	.....	.00¾	.....	.....	.....
1	.15	.05½	Mayland	.....	.06½	.....	.....	.....
No	.04	.01¾	McD. Segur Ex.	.....	.01¾	.....	.....	.....
1	.04½	.01	McD. Segur N.	.....	.01	.....	.....	.....
1	.50	.18	McLeod	.....	.18	.....	.....	.....
No	.10½	.06½	Mercury	.....	.07½	.....	.....	.....
No	.08	.04¾	Merland	1,200	.06	.08	.07½	.08
No	.15	.08½	Mill City Pete	.....	.08½	.....	.....	.....
1	.20	.12¾	Model	.....	.13	.....	.....	.....
1	.05	.04	Monalta	.....	.05	.....	.....	.....
1	.07	.03	Moose Mountain	.....	.03	.....	.....	.....
1	.01	.01	New Federal	.....	.01	.....	.....	.....
5	.14	.01	Nordon	9,700	.05	.10	.05	.09
No	.04½	.02	Oil Selection	45,500	.03½	.04½	.03½	.03⅞
No	.05	.02½	Okalta	.....	.03	.....	.....	.....
100	15.00	15.00	Do., Pref.	.....	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil	37,050	.28	.29	.21	.25
No	.06½	.02	Penn. Pete	212,600	.04¾	.06½	.04¾	.05¾
No	20.00	20.00	Perfection Pete.pfd.	.....	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas	.....	.15	.....	.....	.....
No	.14	.08	Ranchmen's	.....	.09	.....	.....	.....
1	.01	.00¾	Regent	.....	.00¾	.....	.....	.....
No	.02½	.01	Richfield	.....	.01	.....	.....	.....
No	6.65	3.95	Royalite	110	4.00	5.10	5.00	5.10
1	.12	.05	Sarnia Oil	2,200	.07½	.10	.08	.08½
1	.03	.01	Signal Hill	.....	.01	.....	.....	.....
1	.20	.10	Spooner	.....	.10	.....	.....	.....
No	.11	.05½	Sterling-Pacific	.....	.05½	.....	.....	.....
1	.11	.07½	Turner Valley	.....	.07½	.....	.....	.....
No	.08	.03	United	.....	.03	.....	.....	.....
1	.09½	.03	Vulcan	.....	.03	.....	.....	.....
No	.02	.00½	Wainwell	.....	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to July 19)					
25c	.00¾	.00½	Bayview	.....	.00¾	.....	.....	.....
20c	.05	.03½	Beaver Silver	6,000	.04	.04	.03⅞	.04
25c	.02½	.01	Bluebird	.....	.02	.....	.....	.....
1	.12	.04	Bridge River Cons.	1,000	.04¾	.04½	.04½	.04½
25c	.01½	.01½	Cork Province	.....	.01½	.....	.....	.....
1	.13	.02	Cotton Belt	.....	.02	.....	.....	.....
	.01½	.01½	Dalhousie Mines	20,000	.01½	.01½	.01½	.01½
1	.45	.15	George Copper	.....	.20	.....	.....	.....
50c	.02	.01¾	Geo. Enterprise	.....	.02	.....	.....	.....
1	.04½	.02	Georgia River	11,000	.02¾	.02¾	.02¾	.02½
1	.24	.10	Golconda	.....	.12	.....	.....	.....
50c	.08	.02	Grandview	11,350	.02½	.02½	.02½	.02½
1	.01	.01	Independence	.....	.01	.....	.....	.....
1	.01½	.01	Indian Mines	.....	.01½	.....	.....	.....
1	.12	.09	Inter. Coal	.....	.12	.....	.....	.....
1	.21	.21	Jack Waite	.....	.21	.....	.....	.....
25c	.00¾	.00½	Kootenay King	.....	.00½	.....	.....	.....
1	.19½	.07¾	Lorne Gold	7,100	.08	.08	.07¾	.08
10c	.02	.01	Lucky Jim	.....	.01	.....	.....	.....
5c	.12	.05½	Metaline Metals	.....	.05½	.....	.....	.....
1	.03	.00½	Morton Woolsey	.....	.00½	.....	.....	.....
50c	.03	.00¾	National Silver	22,000	.01½	.01½	.01½	.01½
50c	.08½	.02	Noble Five	5,000	.02¾	.02⅞	.02	.02¾
50c	.01	.00½	Oregon Copper	.....	.00½	.....	.....	.....
1	4.11	3.00	Pioneer Gold	1,400	3.65	3.75	3.60	3.70
50c	.08½	.02	Porter Idaho	3,000	.03	.03¾	.03¾	.03¾
No	.01	.00½	Premier Border	.....	.00½	.....	.....	.....
No	.28	.07¾	Reeves McDonald	.....	.07¾	.....	.....	.....
1	.52	.21½	Reno Gold	12,350	.39	.41	.39	.40
1	.05	.02½	Ruth Hope	1,000	.03	.03	.03	.03
1	.03½	.02¾	Silverado	.....	.03½	.....	.....	.....
25c	.02	.01	Silver Crest	10,000	.01	.01	.01	.01
50c	.01½	.00½	Snowflake	.....	.00½	.....	.....	.....
20c	.02½	.01	Wellington	.....	.01	.....	.....	.....
1	.04	.01	Whitewater	6,300	.01	.01	.01	.01
No	.00⅞	.00¾	Woodbine	.....	.00⅝	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	3c.	....	Petrol Oil	1c.	....
Coniaurum	3c.	....	Premier	12c.	23.53
Dome Mines	$1+20c.	9.75	Pioneer, B.C.	12c.	3.07
Hollinger	65c.	11.60	Royalite	50c.	....
Howe Sound	40c.	....	Siscoe	4c.	....
Lake Shore	$2+50c.	8.33	Sylvanite	4+½c.	6.00
McIntyre	$1.50	7.05	Teck Hughes	60c.	13.94
McLeod Oils	5c.	....	Wright-Har	10c.	3.43
Noranda	50c.	2.94			

PRAIRIE CITIES OIL HAD SMALLER LOSS, SELLING FOR CASH

Promising Crop Conditions Make Directors More Optimistic For Future

Prairie Cities Oil Co. and its subsidiary, Petroleum Realty Corp., report a smaller loss in 1931 than that of 1930, even though there have been three successive years of poor crops in its territory. The company's net loss for the year amounted to $71,813, which brought the accumulated deficit of the company at the beginning of 1932 to $248,779.

CONS. INCOME AND SURPLUS ACCT.
Years Ended Dec. 31

	1931 $	1930 $
Net earnings	112,254	64,798
Less: Deprec. reserve	83,527	55,747
Bond interest	*43,108	20,595
Bank & other int. (net)	40,538	43,754
Organ. exps. w/o	1,693	1,693
Prov. for bad debts†	12,000	168,801
Fire loss adjust. of customer's claim	3,101	......
Net loss	71,713	225,792
Less appropriations: Class "A" divds.	......	25,000
Deficit for year	71,713	250,792
Add: Prev. deficit	177,066	......
Loss on fixed assets destroyed by fire	......	47,695
Loss on properties sold	......	3,083
Less: Capital surplus	......	102,218
Operating surplus	......	22,286
Deficit carried forward	248,779	177,066

*Including proportion of bond discount and expense.

Notwithstanding a decline in total gallonage of about 10 per cent, the company showed a profit on operations of $11,814 before making allowance for depreciation. The depreciation in 1931 was $83,527.

Selling for Cash Only

F. Shann, managing director, in the report to shareholders states that the first mortgage bond issue of the company's subsidiary, Petroleum Realty Corp., is being steadily reduced through the operation of the sinking fund and that the amount of cash in the hands of the Royal Trust Co. as trustees for this bond issue at the end of 1931 was $48,238.

Volume of business in the first half of 1932 was somewhat lower than for the same period in 1931. Promising crop conditions are making the directors more optimistic than a year ago as the company's operations depend largely on the result of farming operations in the Canadian West.

The company's policy for the last year has been to sell only for cash to farmers. Sales were reduced by this policy but losses through bad debts as a consequence were small indeed.

Working assets amounted to $799,004 and current liabilities to $710,628. A bank loan and overdraft of $208,905 was shown, down from $423,394.

Working Capital

	1931 $	1930 $
Current assets	799,004	911,553
Current liabilities	710,628	701,447
Working capital	88,376	210,106
Ratio	1.12—1	1.29—1

NEW FREIGHT LINE ATLANTIC, PACIFIC

H. R. MacMillan Inaugurates Steamship Service Via Panama Canal

From Our Own Correspondent

VANCOUVER.—Business interests in British Columbia are taking over the freight service between the Atlantic and Pacific ports of Canada via Panama Canal. Early in September the first sailing will be made from Vancouver, inaugurating what may become a weekly schedule of freight carrying.

The service is being provided by Canadian Transport Company, one of H. R. MacMillan's enterprises.

"For two years the House of Commons has recommended that the Canadian National should get out of the steamship business," said Mr. MacMillan, announcing the new service. "There are indications that a royal commission will support this advice. If the government gets out private interests will have to carry on, and my company is preparing for that situation."

Regardless of the government's policy, however, the Canadian Transport Company intends to maintain the new service. Eighteen vessels are available, all British ships, modern, with deadweight tonnage averaging 8,100 tons.

Lumber will form the bulk of the eastbound cargoes. Lumber has been the backbone of the MacMillan business in the past and he is regarded as the biggest single exporter of lumber in British Columbia. One of his companies, H. R. MacMillan Lumber Export Company, provided 85 per cent of the cargo carried by Canadian National ships from Pacific to Atlantic during the last four years.

Using modern ships, available whenever cargo offers, with economical overhead, Canadian Transport Company believes it will be able to provide a service satisfactory to shippers and importers. Through bills of lading will be issued between Great Lakes and British Columbia, putting the lakes in a position of being actually on the ocean front, a new departure in Canadian intercoastal water carriage.

A. L. Palmer, formerly general freight agent of the Kingsley Navigation Company here, will be in charge of the eastern office, with headquarters in Toronto.

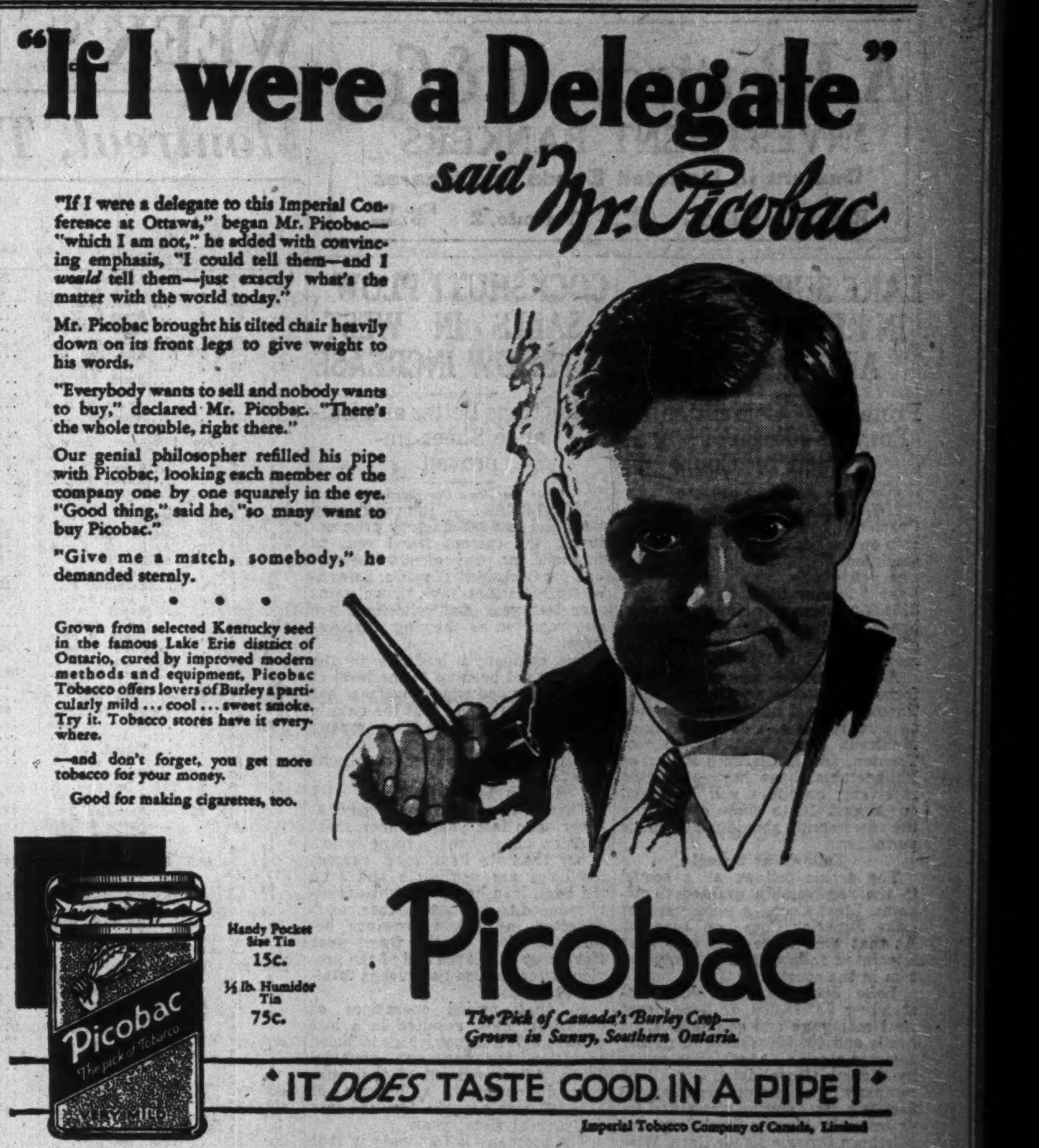
Winnipeg Stock Exchange Elects New Officials

From Our Own Correspondent

WINNIPEG.—At the annual meeting of the Winnipeg Stock Exchange held recently in the Exchange building Jack McDonald was re-elected president.

T. C. Anderson was elected vice-president and the following were appointed to the governing committee: R. D. Baker, A. E. Brown, H. H. Cottingham, H. Ford, L. V. Nutter and F. F. Montagu. D. L. Cossini was re-elected managing secretary. Mr. McDonald in presenting the annual report stated that trading generally was considerably below that of last year.

Mines and oils showed an increase of fifty per cent in the number of transactions, with an increase of twenty per cent in the number of shares traded. The number of individual companies trading and being reported was 97, as compared with 61 in the previous year. Mr. McDonald predicted that in the future it will be almost impossible for high pressure organizations to operate in Manitoba, as a result of the Privy Council ruling in the "Mayland Case," which will divert the sale of securities into existing channels.


"If I were a Delegate" said Mr. Picobac

"If I were a delegate to this Imperial Conference at Ottawa," began Mr. Picobac—"which I am not," he added with convincing emphasis, "I could tell them—and I *would* tell them—just exactly what's the matter with the world today."

Mr. Picobac brought his tilted chair heavily down on its front legs to give weight to his words.

"Everybody wants to sell and nobody wants to buy," declared Mr. Picobac. "There's the whole trouble, right there."

Our genial philosopher refilled his pipe with Picobac, looking each member of the company one by one squarely in the eye. "Good thing," said he, "so many want to buy Picobac."

"Give me a match, somebody," he demanded sternly.

• • •

Grown from selected Kentucky seed in the famous Lake Erie district of Ontario, cured by improved modern methods and equipment, Picobac Tobacco offers lovers of Burley a particularly mild ... cool ... sweet smoke. Try it. Tobacco stores have it everywhere.

—and don't forget, you get more tobacco for your money.

Good for making cigarettes, too.

Handy Pocket Size Tin 15c.

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Picobac

The Pick of Canada's Burley Crop—Grown in Sunny, Southern Ontario.

"IT *DOES* TASTE GOOD IN A PIPE!"

Imperial Tobacco Company of Canada, Limited

Utilities Add Millions To Stock Market Values

Recent Upswing in Trading Has Brought Current Quotations Well Above Low Levels for Current Year

From Our Own Correspondent

MONTREAL. — Recent upward trend in trading on the Montreal Stock Exchange has added some two hundred millions of dollars to share values of leading utilities. There have been noticeable gains in many of these stocks as compared with their lows for the year; in the past few weeks Montreal Power has added some $60,000,000 to the market valuation of its common stock.

Moving steadily from a low for 1932 of around 20 the stock has gained 14 points; within the past few days particularly the upward movement has been strong. Just where the buying is coming from is difficult to observe; in some quarters it is stated that the pump is due in part to pool operations.

Utilities Are Leaders

The utility stocks have again proved their sensitiveness to improved market feeling. Slower than the industrial to break down under the heavy selling of recent years the utilities have maintained their market position to a relatively better extent than other securities. And though they have sunk to unprecedented levels they are proving themselves fairly responsive to more optimistic sentiment.

One of the most marked gains to be recorded is the movement of Canadian Pacific Railway common. Earlier in the year this stock sold down to levels of 8 as earnings slumped and dividend prospects waned. At present the stock is selling around 15, a gain of nearly 85 per cent and a total share appreciation of $93,800,000 in market values. The stock, however, is selling below its high for the year of 22.

Prospects for an improved showing this fall may be held responsible for the uptrend. C. P. R. earnings in the last six months are sometimes equal to twice those of the first half; indications of a bigger crop, with a consequent stimulus to grain haulings are bullish factors. Prospects for dividends, however, which come up for consideration in August, are not encouraging at the moment.

Canadian Hydro-Electric preferred, which has been selling at abnormally low levels in relation to its apparent earnings power and dividend record has broken away from the low of 29 touched this year to reach levels of around 45. There is $12,500,000 of this stock outstanding; earnings in the three months ended March 31, 1932, were equal to over $4 a share on the preferred. In the fiscal year 1931 earnings totalled $18.44 a share on the preferred. The gain of recent weeks has been made in limited trading.

Shares of Power Corp. of Canada have also showed a certain improvement due in part to a stronger tendency in shares of companies which it controls. Following gains in Southern Canada Power and Canada Northern Power preferred and shares of B. C. Power Corp., the common stock of Power Corp. has moved up from a low of 6 for the current year to levels of around 8. This point, however, is far below the high for the year of 36.

Bell Shares Stronger

Bell Telephone Co. of Canada whose securities are widely held in Canada has recovered from its recent low of 77. Transactions on the Montreal Stock Exchange have resulted in a 6 point gain with the stock bid at 82. The high for this year is 120 but reduction in dividend disbursements has pulled the stock down to lower levels.

Shawinigan, whose shares have shown one of the widest drops in utility stocks in recent years eventually dropped to quotations of 7 compared with a high of 33 for the year to date. In the past few weeks trading the stock has gained some 4 points to levels of around 12.

Comparison of Values

Following is a comparison of high, low and current quotations of leading utilities in 1932:

	Low	High	July 26
Montreal Power	20½	38	33½
Shawinigan	7½	33	12½
Quebec Power	9¾	29	11½
C. P. R.	8½	22	14¾
B. C. Power	15	28	20
Power Corp.	6	36½	8
S. C. Power, pfd.	60	90	65
Can. Nor. Power, pfd.	52½	92	65
Can. Hydro-Elec., pfd.	29	66	47
Bell Telephone	75	120	82

Canada Now Ranks Fifth as Source of U. K. Bacon

Canada has begun to figure quite noticeably in the British imports of bacon. She was practically nowhere on the list of countries supplying that breakfast food a year ago, but during the first six months of 1932 she has climbed into fifth place displacing the Irish Free State and United States.

Bacon, exclusive of hams, is a very large British import. In the last six months it amounted to 647,909,920 pounds, of which Denmark supplied the overwhelming proportion of 443,979,312 pounds, Poland 64,223,936, Holland 38,278,464, Sweden 25,337,088, Canada 11,845,568, Irish Free State 10,800,944, United States 4,294,416. In the same period of 1930 the amount sold by the United States in Great Britain was 37,198,336 pounds.

Crang, Burke Acquires Mining Exchange Seat

From Our Own Correspondent

MONTREAL.—Crang, Burke and Co. Reg'd. has been formed to take over the Montreal mining business of the late K. A. MacPhadyen and the firm has also purchased a seat on the Standard Stock and Mining Exchange. The firm will have direct wires to the Standard Stock and Mining Exchange and is reputed to be the first Montreal house to hold a seat on the Toronto Mining Exchange. Ross Malcolm and Fernand Dansereau are joint managers of the new firm.

Farmers Study Business

That farmers are interested in a careful study of their farm business is shown by the fact that since the farm management department of the University of Saskatchewan, first published their farm inventory book in 1926, there have been over 5,000 inventory blanks sent out to farmers on request.

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New Zealand Trade Pact Yields Trade Benefits

The trade agreement between Canada and New Zealand, the terms of which were agreed upon at Honolulu last winter by Hon. H. H. Stevens, Minister of Trade and Commerce, in conference with the Hon. Downie Stewart, Minister of Finance of New Zealand, and officially ratified by the two countries on April 27, has brought speedy results, says the Dominion Bureau of Statistics. Canadian exports to New Zealand doubled in June. The effect on Canadian imports from New Zealand will not be made apparent until the trade figures of July are received.

Canadian domestic exports to New Zealand in June amounted in value to $327,578, compared with $162,106 in May and $121,794 in April. Canadian imports from New Zealand were $75,615 in June, $108,981 in May and $58,564 in April.

The classification of the June exports was: agricultural and vegetable products $128,651, textiles $39,258, non-ferrous metal products $30,210, iron products $26,909, animals and animal products $21,968, non-metallic mineral products $2,245, chemicals and allied products $8,394, miscellaneous $4,560, wood and paper $65,383.

Considerable activity in shipping circles both in Canada and New Zealand is reported.

Carroll Storage Plant Opens Soon in Newfoundland

Carroll Cold Storage Company, a new property in Newfoundland which will offer for the first time a modern cold storage plant for to provide supplies of bait for the shore and deep water fisheries of Newfoundland, will be in operation on or before August 15, according to J. J. Carroll, managing director.

The new plant is located at Holyrood, and will have a capacity of 300,000 pounds of squid. The plant succeeds a small bait concern in the same locality which has for many years been operated by Mr. Carroll and which has proved of considerable value to local and foreign "bankers" which annually resort to Holyrood for bait.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

LAKE SUPERIOR IN RECEIVERSHIP AFTER DEFAULT

Protective Committee is Formed—Receivers Are Named by Court

From Our Own Correspondent

MONTREAL. — Lake Superior Corp. has consented to a receivership on the petition of Algoma Consolidated Corp. which controls it. The petition rests on the fact that Lake Superior Corp. has defaulted $131,950 interest on first mortgage bonds due June 1. Under the terms of the trust deed a period of six months grace is allowed.

A Protective committee has been formed by interests in Philadelphia; Thomas Arnold has been appointed as a representative of the Bank of Montreal. J. Albert Homan, of Trenton, and E. Clarence Miller, of Philadelphia, have been appointed receivers; creditors will be asked on August 16 to show cause why the receivership should not be made permanent.

Follows as Sequel

The action follows as a sequel to the receivership granted to Algoma Steel Corp., a subsidiary of Lake Superior Corp., on June 20. At that time three receivers were appointed following a friendly action in the courts.

Lake Superior Corp. has outstanding $5,278,000 of 5 per cent first mortgage and collateral trust bonds and 400,000 shares of no par common stock all of which is owned by Algoma Consolidated Corp. The company is a holding organization deriving its revenue from its investment in Algoma Steel Corp. and Northern Ontario Lands Corp. With Algoma Steel Corp. in receivership there was little encouragement for the parent company as far as revenue was concerned.

Algoma Steel Corp. is the back bone of the whole structure which comprises Algoma Consolidated Corp. It possesses one of the largest steel plants in Canada, large iron ore properties on the shores of Lake Superior, coal mines and limestone quarries. So long as present conditions exist in the steel industry prospects for the parent organization cannot be considered cheerful.

At the present time none of the companies comprising Algoma Consolidated is paying its fixed charges; some of the subsidiaries have income bonds outstanding. No investment return, however, is being made on total assets valued at $120,328,000.

Fraser Valley Beet Industry

Sugar beet growing in the Fraser Valley is becoming a thriving industry and there are at present in excess of 500 acres of sugar beets growing in the Ladner district, with extensive acreage, also in the vicinity of Cloverdale and Colebrook. Most of the fields are planted under the supervision of manufacturers in Bellingham to which point the beets are shipped for processing.

COCKSHUTT PLOW SALES IN WEST SHOW INCREASE

Collections Better and Balance Sheet Improved

From Our Own Correspondent

MONTREAL. — Improved crop prospects and satisfactory progress during the current fiscal year to date lend encouragement to the outlook for Cockshutt Plow Co. Sales in Western Canada have shown gains over last year and collections are also reported as showing improvement.

The company's business in the east has not been up to the level of the prairies and export business has naturally suffered. But the gain in the west has enabled the company to maintain its position while looking forward to better conditions this fall.

Bank Loans Reduced

Though total sales are somewhat lower than last year balance sheet position has been strengthened. Other than its bank loan, current liabilities are negligible and even the bank loan has been substantially reduced to date. A further cut is expected in bank borrowings before the close of the fiscal year November 30. At the end of the previous fiscal period bank loans totalled $1,409,218.

In that period operations of Cockshutt Plow resulted in a loss of $494,487, a figure which included provision for bad and doubtful debts. After payment of dividends, now discontinued, a balance of $158,177 was brought forward into the current fiscal year.

The company is fortunate in that it has no funded debt. Capital structure comprises 288,600 shares of no par value. Working capital position at the end of November, 1931, totalled $5,608,568 with current assets equal to more than four times current liabilities. Inventories were carried at $3,682,000.

New Gray Line Coaches Have No Gear Shift

New "Ranger" coaches have been put into service by the T. T. C. Gray Coach Lines of Toronto for use on its Buffalo-Toronto route.

Chassis of the new busses are made in England by the Associated Equipment Company makers of London General Buses. The body of the coach is made in Canada by the Canadian Car and Foundry Company. More than 50 per cent of the construction takes place in Canada, according to D. W. Harvey, general manager of the T. T. C.

A feature of the new coaches is a "fluid" transmission system without gear shift. An attachment on the steering wheel eliminates the manual gear shift.

Large Toronto Contract Pending

An additional contract in connection with Toronto's duplication of its water system, a $14,000,000 undertaking, is expected to be let within a few weeks.

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WEEK ENDING JULY 25

Range 1932 High	Range 1932 Low	Divd. Rate in $	Yield in % July 23		Sales	Close July 18 (or last)	Week Ending —July 25— High	Low	Close
3.25	.60	.	...	Abitibi	165	1.00	1.00	.75	1.00
10	2	.	...	Do. pref.	30	3	3½	3	3½
x105	80	.	...	Do. pref.					
80	80	7	...	Acme F. D'y, p		80			
5	4½	.	...	Agnew Surp.		5			
70	70	7	10	Do. pref.		70			
7	3½	.	...	Alta. Pac. Gr.		3½			
25	19	.	...	Do. pref.	2	25	24	23	23
3½	1½	.	...	Amal. Electric		1½			
11	9	.	...	Do. pref.		9			
x3½	2½	.	...	Anglo. N. Hold.					
.37	.15	.	...	Asbestos		.15			
1.00	.60	.	...	Do. pref.		.60			
6	4	60c	13.3	Assoc. Brew.	265	4½	4½	4½	4½
70	65	7	10.1	Do. pref.		69			
3	3	.	...	Assoc. Can.		3			
x69	65	.	...	Assoc. Tele.					
30	16	.	...	Atlan. Sugar		20½			
120	92	.	...	Do. pref.		120			
159½	127	10	7.8	Bk. Can. Nat.	92	128½	127½	127	127
225	150	10	5.6	Bk. Montreal	218	191	192½	165	180
274	238	16	6.5	Bk. N. Scotia	116	250	260	240	245
193	125	10	6.3	Bk. Toronto	30	165	165	154	156
x24	8½	.	...	Barcelona					
3	1	.	...	Bathurst Pr.	125	1	1	1	1
1	½	.	...	Do. (B)	12	½	½	½	½
‡26	26	.	...	Bawlf Grain					
x25	20	.	...	Do. pref.					
5	4	.	...	Beath & Sons		4			
10½	3½	.	...	Beatty Bros. A	325	4	5	4½	5
60	41	6	14.6	Do. pref.		41			
3.50	.40		...	Beauharnois	5631	.90	1.00	.65	.65
x93	55	7	...	Belding Cort.					
65	65	7		Do. pref.		65			
120	75	7	8.6	Bell Telephone	686	80½	83	79½	83
8½	2	.	...	Biltmore Hats		3½			
50	50	7	...	Do. pref.		50			
4	1½	.	...	Bissell, T. E.		1½			
‡97	88	.	...	Do. pref.					
8	2	.	...	Blue Ribbon	5	2	2½	2½	2½
25	9	2	22.2	Do. pref.	5	10	9	9	9
20	17½	2	10.8	Brant. Cd. pf.	92	18	18½	18	18
14½	7½	2§	..	Brazilian Tr.	3079	10	10½	9½	10½
.40	.40	.	...	Brew. & Distil.		.40			
1	½	.	...	Brewing Corp.		½			
3½	1	.	...	Do. pref.	15	1	1½	1½	1½
11½	8½	80c	8.6	Brit. Amer. Oil	3357	9	9½	8½	9½
1.75	.60	.	...	B.C. Packers		.60			
6½	4	.	...	Do. pref.	12	4	4	4	4
26	15	2	10.2	B.C. Power A	332	20	20½	19	20½
7½	3½	.	...	Do. (B)	26	4	4½	4	4
4	2	.	...	Bruck S. Mills		2			
20½	10	1.40	11.5	Building Prod.	184	11	12½	10	12½
32	17	2.40	10.2	Burt, F. N.	80	22	23½	22	23½
125	120	6	5	Calgary Pr.		120			
3	1½	.	...	Canada Bread		1½			
85	82	7	8.4	Do. pref. A		83			
25	20	2	10	Do. pref. B	20	25	20	20	20
9	6½	1	12.1	Canada Bud	220	7½	8½	8	8½
7	2	.	...	Canada Cement	2914	4½	6	4½	5½
66	20	6.50	15.8	Do. pref.	1000	35	41	34	36
13½	6	1.20	11.7	Canada Dry	10200	8½	11½	8½	11½
6	2½	.	...	Can. Forg. (A)		2½			
7½	2	.	...	Do. (B)		7½			
x68	60	3	...	Canada Iron					
x80	75	6	...	Do. pref.					
14½	8½	1.50	13	Can. Malting	375	11½	11½	11	11½
15	9	80c	7.3	Can. Nor. Pr.	30	9	12	11	12
92	52½	7	11.3	Do. pref.		62			
x6	½	.	...	Can. Paving					
x51	10½	.	...	Do. pref.					
186	135	12	8.6	Can. Perman.		140			
1	¼	.	...	Can. Pr. & Pa.		¼			
2½	¼	.	...	Can. Steamsh's		¼			
9	1	.	...	Do. pref.	515	3½	3½	3	3
16	9½	1.60	13.1	Can. Vinegars	65	12	12½	12	12½
55	28½	4	11.4	Can. W. Cable	4	29	35	28½	35
18	4	.	...	Do. (B)	5	5	5½	5½	5½
1½	1½	.	...	Can. Bakeries		1½			
14	11	.	...	Do. pref.		11½			

Range 1932 High	Range 1932 Low	Divd. Rate in $	Yield in % July 23		Sales	Close July 18 (or last)	Week Ending —July 25— High	Low	Close
x80	80	8	...	Inter. Coal, p.					
6	6	.	...	Int. Hyd. E. A.		6			
97	90	7	7.8	Inter. Mill., pf.	10	90	90	90	90
77	77	6	7.8	Do. Series A.		77			
11	4	.	...	Inter. Nickel	26201	6½	6½	6	6½
4	4	.	...	Inter. Paints		4			
b2½	½	.	...	Int. Pa & Pr A		½			
b1	1	.	...	Do. (B)		1			
b½	½	.	...	Do. (C)		½			
b11	2½	.	...	Do. pref.		2½			
11½	9½	1	9	Inter. Pete.	5106	10½	11½	10½	11½
x8	5	.	...	Inter. Power					
x78	56½	.	...	Do. pref.					
9½	2	.	...	Int. Util. (A)	60	3½	3½	3½	3½
3	½	.	...	Do. (B)	25	1	½	½	½
x40	40	1	...	Jam. Pub. Ser.					
x109	99½	7	...	Do. pref.					
4	2½	.	...	Kelvinator		2½			
90	60	7	11.7	Do. pref.		60			
7½	4	.	...	Lake of Woods	213	4½	7½	5	7½
x101	82	.	...	Do. pref.					
x140	140	8	...	Landed Bank.					
39	28	3	9.4	Laura Secord	126	32	32	28	32
8	1½	.	...	Lindsay, C. W.		1½			
60	36	6.50	18	Do. pref.	5	36	36	36	36
10½	9	80c	7.8	Loblaw (A)	878	10	10½	10	10½
10½	8	80c	8.9	Do. (B)	110	9	9½	9	9½
‡2½	2½	.	...	Loew's, London					
x25	19	.	...	MacKin. Steel					
x95	90	7	...	Do. pref.					
7	6½	.	...	Manitoba Pr.		7			
5	2	.	...	Maple Leaf		3			
20½	8	.	...	Do. pref.	10	15	15	15	15
x38	30	.	...	Marcus Loew's					
60	30	.	...	Do. pref.		30			
4½	2½	.	...	Massey-Harris	1897	4	4½	3½	4½
10½	7	60c	6.5	McColl Fron.	3334	9½	10½	8½	10½
59	58	6	10.3	Do. pref.	10	58	58	58	58
x45	35	.	...	Mexican L & P					
‡25	25	.	...	Mercury Mills					
‡89	58½	.	...	Do. pref.					
x40½	40	.	...	Mitchell, J. S.					
105	105	7	6.7	Do. pref.		105			
8	3	.	...	Mitchell, Robt.	14	4½	4	4	4
x1	1	.	...	Monarch Knit.					
30	23	.	...	Do. pref.		25			
75	50	6	12	Montreal Cot.		50			
70	70	7	10	Do. pref.	5		70	70	70
2½	2½	.	...	Montreal Exhib.		2½			
9½	7	.	...	Mont. Is. Pr.		7			
38	20½	1.50	4.6	Mont. L. & Pr.	9770	31	34	30½	34
x49½	48	3+25	..	Montreal Loan					
47	40	3.20	8	Montreal Tele.		40			
150	90	10	10.2	Mont. Trams.	85	96	100	96	100
10	4½	.	...	Moore Corp.	145	5	5½	5½	5½
93	65	7	10.8	Do. (A)		65			
97	72	7	9.7	Do. (B)		72			
‡10	10	.	...	Mt. Royal Hot.					
‡49	49	.	...	Do. pref.					
2	1	10c	10	Muirheads	100	1	1	1	1
9	8	75c	8.3	Do. pref.		9			
24	9½	1.60	9.9	Nat. Brew.	5865	13½	16½	13½	16½
25½	25	1.75	7	Do. pref.	50	25½	25	25	25
‡10	3	.	...	Nat. Brick					
3	3	.	...	Do. pref.		3			
12½	6	80c	8.6	Nat. Steel Car	3055	7½	9½	7½	9½
255	245	12	4.9	National Tr.		245			
10	10	.	...	Niag. W. Weav.		10			
x36	23	3	...	Do. pref.					
2.50	1.50	.	...	North Star Oil	100	2.00	1.50	1.50	1.50
4.00	4.00	35c	8.7	Do. pref.		4.00			
‡25	25	.	...	N.S. Steel, pf.					
120	90	8	7.6	Ogilvie Flour	272		120	90	115
105	96	7	7.3	Do. pref.		96			
9	5½	40c	7.3	Ont. Eq. 10% p		5½			
102	94½	6	6.3	Ontario Loan		94½			
x7	5	.	...	Ont. Silknit					
x16	13	.	...	Ont. Steel					

Range 1932 High	Range 1932 Low	Divd. Rate in $	Yield in % July 23		Sales	Close July 18 (or last)	Week Ending —July 25— High	Low	Close
3½	1½	.	...	Stand. Steel	130	1½	2½	2	2½
x35	30	3	...	Do. pref.					
24	10½	1.75	9.5	Steel of Can.	1312	15½	19	15½	19
29	20	1.75	7	Do. pref.	85	25	26	24½	26
½	½	.	...	Sterling Coal		½			
18½	9½	1	6.2	Sup. Pete. ord.	530	13	16	13½	16
x31	14	1	...	Do. com.					
98	90	7	7.6	Do. pref.		92½			
42	35	.	...	Tamblyn		35			
100½	95	7	7.4	Do. pref.	20	96½	95	95	95
18	15	3.50	23.3	Thayers, pref.		15			
7	3	.	...	Tip Top Tailors		3			
67	50	7	14	Do. pref.		50			
x22	10	.	...	Tooke Bros.					
x67	48½	.	...	Do. pref.					
13	7	.	...	Tor. Elevators		7			
210	125	10	7.1	Tor. Gen. Tr.		140			
92	85	6	6.5	Toronto Mtge.		92			
x3	1	.	...	Traymore					
x12½	7	.	...	Do. pref.					
120	105	7	6.7	Tuckett Tob. p		105			
5	2	.	...	Twin City		5			
b24½	7	.	...	Do. pref.					
37	23	.	...	Do. (notes)					
5	1½	.	...	Union Gas	251	3½	4	3½	4
100	100	5	5	Union Trust		100			
x8	3	.	...	United Fuel					
15	3	.	...	Do. pref.		3			
24½	18	2	11.1	United Secs.	1	18	18	18	18
11	5	.	...	Viau Biscuit	40	5½	7	5½	7
75	60	7	11.7	Do. pref.		60			
12	4	.	...	Wabasso Cot.		4			
5½	2½	.	...	Walker-Good.	1420	4½	5	4½	4½
12	9	1	10.5	Do. pref.	4416	9½	9½	9½	9½
3½	1	.	...	Waterloo Mfg.		2			
80	75	7	...	W. Koot. Pr. p		80			
8	5½	.	...	West. C. Flour		5½			
60	60	6.50	10.8	Do. pref.		60			
11	10	.	...	West. Grocers		11			
54	48	7	15.5	Do. pref.		45			
x91	85	.	...	W. Steel Pr. p					
18½	16½	1	5.9	Weston Bisc.		16½			
70	65	7	10.4	Do. pref.		67			
10	10	.	...	Windsor Hotel		10			
38	20	3.25	16.2	Do. pref.		20			
8	2	.	...	Winnipeg Elec.	243	4	4	3½	3½
15	14	.	...	Do. pref.		15			
x46	36	.	...	Woods Mfg. p.					

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
§ 2% stock dividend payable Sept. 1; 2% paid June 1; 25c cash paid Mar. 1, 1932.
* Minimum price is set, below which trading is not permitted for time being. List of minimum prices is given elsewhere.

Foreign Exchange

	New York Funds High (Premium) %	New York Funds Low %	Last Year High (Premium) %	Last Year Low %
July 20	15 1-2	15 1-8	11-32	5-16
July 21	15	14 5-8	11-32	21-64
July 22	14 5-8	14 1-2	7-16	11-32
July 23	15	14 5-8	15-32	13-32
July 25	14 13-16	14 5-8	15-32	13-32
July 26	14 11-16	14 1-2	13-32	3-8

STERLING, FRANCS AND LIRE
(Close Demand in New York)

	Sterling	Francs	Lire
July 20	3.56 1-8	3.91 1-2	5.09 3-4
July 21	3.55 3-8	3.91 7-8	5.10
July 22	3.55	3.91 15-16	5.09 7-8
July 23	3.55 1-8	3.91 5-8	5.09 7-8
July 25	3.55 1-8	3.91 5-8	5.09 3-4
July 26	3.54 1-2	3.91 9-16	5.09 1-2

FOREIGN EXCHANGE
(Close Demand in Toronto)

		July 12	July 19	July 26
5.26	Italian	5.85½	5.90½	5.83½
23.80	German	27.22	27.45	27.16
13.90	Belgian	15.96½	16.02½	15.84
49.80	Japanese	31.84½	32.23	31.53

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers—Toronto
July 26, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.50	.80
Do., pfd.	2.40	2.90
Acme Farmers Dairy pfd.	59.00	68.00
Agnew Surp. pfd.	54.00	59.00
Allens Lond. pfd.	29.50	....
Do., Toronto pf.	13.00	....
Andian Nat. Corp.	19.25	21.50
B.C. Pulp & Paper com.	....	2.00
B.C. Pulp & Paper 7% pfd.	....	9.00
Can. & Dom. Sugar com.	15.00	15.75
Can. Machinery c.	2.75	4.80
Do., 7% pfd.	20.00	25.00
Can. Packers c.	7.50	8.50
Do., 7% pfd.	49.00	....
Can. Starch pfd.	63.00	68.00
Can. Tea pfd.	....	55.50
Can. Wire & Cable pfd. W.W.	70.00	71.75
Can. Industries c. "A"	60.00	65.00
Do., c. "B"	57.00	62.00
Do., 7% pfd.	97.50	98.50
Can. Westing.	35.25	40.50
Chase, A. W. Units	27.50	28.50
Claude Neon Gen. Adv. com.	1.75	3.00
Claude Neon Gen. Adv. Units	22.00	25.50
Crescent Creameries pfd.	49.00	55.00
Dodge Mfg. "B" com.	1.25	....
Dodge Mfg. "A" pfd.	5.50	....
Dom. Foundries & Steel com.	5.00	6.25
Dom. Foundries & Steel pfd.	69.00	....
Dom. Mfrs. pfd.	65.50	70.00
Dom. Tar pfd.	....	28.00
Dunlop Tire 7% pfd	38.00	39.00
Eastern Car 6% pfd.	35.00	....
Eastern Dairies Ltd. pfd.	59.50	63.50
Federal Grain pf.	20.00	22.00
Goderich Elevator & Transit	10.00	11.00
Greening Wire 7% pfd.	66.00	75.00
Guard. Realty pf.	....	29.00
Guelph Carpet pfd. bonus com.	69.50	74.00
Inter City Bak. c.	40.00	42.50
Inter. Proprietaries "A"	21.00	22.00
Langleys pfd.	....	43.00
Loew's London c.	.50	1.00
Do., pfd.	2.20	2.80
Massey Harris pf.	13.00	15.25
Morrow Screw Nut 7% pfd.	90.00	98.00
Mt. Royal Hotel c.	.50	1.10
Do., 6% pfd.	5.25	7.75
Nat. Grocers c.	1.00	1.95
Do., 2nd pfd.	24.50	26.50
Price Bros. c.	4.00	....
Prov. Paper pfd.	29.75	32.50
Reliance Grain pf.	47.00	52.00
Rolland Paper pfd. W.W	19.00	....
Standard Clay Products c.	19.00	23.00
Standard Fuel pfd. bonus	50.00	52.50
Supertest Petroleum "B" pfd.	16.00	20.00
Toronto Brick pf.	....	35.50
Toronto Carpet c.	....	93.50
Do., 8% pfd.	76.00	90.00
Toronto Elevators 7% pfd.	66.00	70.50
Toronto Hous. c.	21.00	30.00
Un. Amuse. "A"	15.50	18.00
Western Grain pfd. bonus c.	10.50	15.00
Willards Choc. pf.	....	22.00
Insurance Stocks:	**Bid**	**Asked**
Can. Life Assur.	....	391.00
Canada Nat. Fire	14.00	15.00
Candn. Fire Ins.	67.00	74.00
Capital Life 20% pd.	10.50	15.00

Insurance Stocks:	Bid	Asked
Confederation Life 20% pd.	132.00	142.00
Continental Life 20% pd.	45.00	55.00
Crown Life Ins.	75.00	....
Dominion Fire	84.00	95.00
Dominion Life 50% pd.	260.00	290.00
Dom. of Can. Gen. Ins.	....	143.00
Empire Life 15% pd.	7.00	10.00
Excelsior Life 30% pd.	73.50	80.00
Fidelity Ins. of Canada	....	70.50
Gt. West Life	220.00	235.00
Guarantee Co. of N. A.	215.00	270.00
Halifax Fire	8.25	9.50
Imperial Life	....	289.00
Manufac. Life	....	245.50
Monarch Life 10% pd.	18.00	22.00
National Life 25% pd.	70.00	80.00
Saskatchewan Life 10% pd.	....	15.50
Sovereign Life 25% pd.	15.00	20.00
Sun Life Assur.	290.00	315.00
Western Assur. c.	15.00	17.00
Western Life 20% pd.	8.50	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	145.00	160.00
Can. Gen. Investments Ltd.	2.30	2.55
Chartered Trust	68.00	70.00
Debent. & Sec. pf.	....	37.00
Eastern Can. Sav. & Loan	103.00	110.00
Eastern Trust	120.00	145.00
Guelph & Ont. Inv. par $50	44.00	52.00
Investment Foundation Units	18.00	22.00
Lambton Loan & Savings	56.00	64.00
London & Western Trust	83.50	90.00
Midland Loan & Savings	16.50	....
Mtg. Disc. pfd.	2.00	3.00
Mutual Fin. pfd.	....	3.00
Do., com.	....	3.00
Northern Trust	....	23.25
Premier Trust	81.00	86.50
Security Loan & Savings	96.00	99.00
Sherbrooke Trust	90.00	100.00
Sterling Trust	60.00	65.00
Traders Fin. c.	....	1.00
Do., pfd.	10.50	19.00
Trusts & Guar.	41.00	45.50
Victoria Trust & Savings	170.50	....
Waterloo Trust & Savings	100.00	111.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	82.75	85.00
Calgary Pwr. pfd.	55.50	57.00
Can. Light & Pwr. com.	12.50	16.50
Can. West. Nat. Gas LH&P c.	18.50	23.00
Can. West. Nat. Gas LH&P pfd.	57.50	60.00
Great Lakes Pwr. pfd.	....	65.00
N.B. Pwr. 1st pf.	....	40.00
N.B. Telephone c.	6.50	8.00
N.S. L&P pfd.	47.00	53.00
Ottawa LH&P pf.	80.00	....
Do., com.	68.00	70.50

Recent London Quotations:

Brewer Distillers	3s.
Can. & For. Sec.	3s. 9d.
Can. West. Lumber	9d.
Hudson's Bay	18s. 9d.
Do., 5%	60s.
Internat. Holdings	8½
Nld. Pr. & Pap. deb. stock "B"	92½
Trust & Loan of Can.	1s. 9d.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Acme Farmers Dairy pfd.	7%	3½%	Aug. 10	July 30
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Banque Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Bank of Toronto	10%	2½%	Sept. 1	Aug. 15
Bank of Montreal	10%	2½%	Sept. 1	July 30
Belding Corticelli	7%	1¾%	Aug. 1	July 15
Do., pref.	7%	1¾%	Sept. 15	Aug. 31
Beatty Bros. 1st pfd.	$6	$1.50	Aug. 1	July 15
Bordens	$2	50c	Sept. 1	Aug. 15
Brazilian Tr., ord.	...	2% stk.	Sept. 1	July 30
B.C. Telephone 2nd pfd.	6%	1½%	Aug. 1	July 15
Calgary Power pfd.	$6	$1.50	Aug. 1	July 15
Can. Dredge pref.	7%	1¾%	Aug. 1	July 19
Can. Investors c.	40c	10c	Aug. 2	July 15
Canadian Car c.	60c	15c	Aug. 30	Aug. 15
Can. Converters	$2	50c	Aug. 15	July 31
Can. Hydro-Electric, pfd.	6%	1½%	Sept. 1	Aug. 1
Can. Southern Rly. c.	$3	$1.50	Aug. 1	July 1
Can. Bronze	$1.25	31¼c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Coniaurum Mines	...	3c	Aug. 15	Aug. 1
Cosmos Imperial, pfd.	$3.50	87½c	Aug. 15	July 30
Confederation Invest. pfd.	$3	75c	Aug. 1	July 15
Chase, A. W., pfd.	...	$1	Aug. 10	July 31
Coast Breweries	...	35c	Aug. 1	July 20
Can. Bank of Commerce	10%	2½%	Sept 1	July 31
Canadian Oil	$1	25c	Aug. 15	Aug. 1
Do., pref.	$8	$2	Oct. 1	Sept. 20
Disher Steel, "A" pfd.	$1.50	37½c	Aug. 2	July 22
Dominion Bridge	$2	50c.	Aug. 15	July 30
Do.,	..	50c.	Nov. 15	Oct. 31
Dominion-Scottish Inv.	2%	½%	Aug. 1	July 20
Eastern Dairies com.	$1	25c	Aug. 1	June 30
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Guelph Carpet, pfd.	6½%	1⅝%	Aug. 1	July 20
Fuller, Geo. A., (Can.) pfd.	6%	1½%	Aug. 1	July 15
Humberstone Shoe	$2	50c	Aug. 1	July 15
Hamilton Bridge pfd.	6½%	1⅝%	Aug. 1	July 15
Hydro Elec. Secs. "B" pfd.	50c	25c	Aug. 1	July 18
Hollinger Mines	65c	5c	Aug. 11	July 28
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 2
Inter. Utilities pfd.	$3.50	87½c	Aug. 1	July 15
Do., pfd.	$7	$1.75	Aug. 1	July 15
Imperial Bank	12%	3%	Aug. 1	June 30
Lindsay, C. W., pfd.	6½%	1⅝%	Sept. 15	Aug. 15
Mansfield Theatre, pfd.	7%	3½%	July 31	June 30
McIntyre Mines	$1	25c	Sept. 1	Aug. 2
Do., extra	...	12½c	Sept. 1	Aug. 2
MacKinnon Steel pref.	7%	1¾%	Aug. 1	July 20
Montreal Dairy "A" com.	$1.75	43¾c	Aug. 1*	July 15
Mortgage Corp. N.S.	7%	1¾%	Aug. 1	July 24
Neon Prod. of West. Can. pfd.	$3	75c	Aug. 1	July 15
Ontario Steel, pref.	7%	1¾%	Aug. 15	July 30
Paterson, Wm., pref.	7%	1¾%	Aug. 1	July 20
Penmans	$3	75c	Aug. 15	Aug. 5
Do., pref.	6%	1½%	Aug. 1	July 21
Quebec Power	$1.50	37c	Aug. 15	July 21
Royal Trust	$3.20	80c	July 30	July 30
Royal Bank	10%	2½%	Sept. 1	July 31
Russell Motor Car	$1	25c	Aug. 1	July 15
Do., pref.	7%	1¾%	Aug. 1	July 15
St. Lawrence Flour, pref.	7%	1¾%	Aug. 1	July 20
Second Std. Royalties pfd.	12%	1%	Aug. 1	July 15
Southern Can. Power com.	$1	25c	Aug. 15	July 30
Steel of Canada	$1.75	43¾c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Shawinigan W. & Pr.	$1	25c	Aug. 15	July 21
Standard Steel "A" pfd.	$3	75c	Oct. 1	Sept. 15
Sherbrooke Trust	6%	1½%	Aug. 1	July 15
Teck Hughes	60c	15c	Aug. 1	July 15
Weston, Geo., pref.	7%	1¾%	Aug. 1	July 20

*Regularly payable July 1; deferred one month.

Dividends Passed or Deferred:

Dominion Tar, pfd. Aug. 1 passed. Last paid 1¾% May 1, 1932.

Power Corp., com. Aug. 20, passed. Last paid 50c. May 20, 1932.

Service Stations, pref. and "A" pref. Aug. 1, passed. Last paid 75c. May 2, 1932.

Foundation Co. com. Aug. 14 passed. Last paid 12½c. May 14, 1932.

Foreign Power Secs. pref. Aug. 15, deferred. Last paid $1.50 May 16, 1932.

Northern Trusts, c. Aug. 1, deferred. Last paid 50c. Feb. 1, 1932.

Dividend Rate Reduced:

Bordens c. 50c. Sept. 1. Reduced from $3 to $2 per annum.

Russell Motor, com. 25c. Aug. 1. Reduced from $2 to $1 per annum.

Cosmos Imperial, pref. 87½c. Aug. 15. Reduced from 7% to 3½% per annum.

Can. Investors c. 10c Aug. 2. Reduced from 15c to 10c.

Dominion Bridge 50c. Aug. 15. Reduced from $2.50 to $2 per annum.

Royal Bank 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Montreal 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Toronto 2½% Sept. 1. Reduced from 12% to 10% per annum.

Can. Bank of Commerce 2½% Sept. 1. Reduced from 12% to 10% per annum.

Dominion Scottish Invest. pfd., 25c. Aug. 1. Reduced from 50c. to 25c. quarterly.

Extra Dividends:

McIntyre Mines 12½c Sept. 1.

Dividend Rate Increased:

Coast Breweries, c. Aug. 1. Increased from 28c. to 35c. quarterly.

Winnipeg Stock Exchange

July 22, 1932

	Bid	Ask
Beaver Fire	..	115
Beaver Lumb. pfd.	..	80
Can. Amer. Tr. shs	..	2½
City Dairy (Wpg.) pref. 7%	..	50
Do., pref. 8%	..	80
Corp. Steel c.	..	5
Cres.-Cream. pfd.	55	..
Home Inv. & Sav.	20	25
N. Can. Mtge. pfd.	..	15
North. Trust	..	24
Un. Gr. Growers	10½	..
Traders' Bldg.	75	..
West. Breweries	..	2
Fund. Tr. shs. "A"	..	2½
Do., "B"	..	2½
Grouped Inc. Shs.	..	2.64

Stocks With Minimum Prices

Ottawa L. H. & Pr. c.	100
Price Bros.	25
Do., pref.	70

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 26, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	22.25	24.50
Acadia Sugar 6% 1946	71.00	....
Alta. Pac. Grain 6% 1946	67.00	....
American Sales Book 6% 1939	102.00	....
B. A. Oil 5% 1945	82.00	85.00
Canada Biscuit 6½% 1946	20.00	
Canada Bread 6% 1941	84.00	88.00
Canada Cement 5½% 1947	75.00	....
Can. Machinery 6% 1941	51.00	....
Can. Steamship 6% 1941	27.00	32.00
Can. Consolidated Rubber 6/46	48.00	55.00
Can. Copper Refin. 6% 1945	89.00	94.00
Can. Vickers 6% 1947	61.00	64.00
Davies, Wm., 6% 1942	72.00	75.50
Debenture & Sec. 4% 1936	32.00	....
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	57.00	....
Dom. Telegraph 5½% 1978 "A"	80.00	86.00
Famous Players 6% 1948	57.00	62.00
Famous Players 6½% 1948	45.00	50.00
Federal Grain 6% 1949	69.00	....
Firestone Tire 7% 1937	108.00	....
Goodyear Cotton 6% 1949	85.00	90.00
Great Lakes Paper 6% 1950	13.50	16.50
Gypsum, Lime & Alab. 5½% 1948	42.00	49.00
Harris Abattoir 6% 1947	80.00	85.00
Howard Smith 5½% 1953	49.00	....
Loew's Toronto 6% (Serial)	95.00	99.00
London Realty 6½% 1950	45.00	50.00
Maple Leaf Milling 5½% 1949	54.00	58.00
Massey Harris 5% 1947	58.50	62.50
McColl Frontenac 6% 1949	77.00	82.00
McKinnon Industries 6½% 1945	86.00	93.00
Montreal Drydock 6% 1948	45.00	50.00
Nor. Mexico Power 7% 1933	79.00	....
Nor. Ont. Bldg. 6½% 1939	60.00	66.00
Ont. Steel Products 6% 1943	88.00	91.00
Richmond Bay 6½% 1947	57.00	62.00
Rowntree Co. Ltd. 6% 1937	93.00	98.00
Simpsons Ltd., 6% 1949	58.00	61.00
Steel of Canada 6% 1940	100.00	103.00
Sterling Coal 6% 1940	30.00	38.00
United Gas & Fuel 5½% 1948	....	48.00
United Grain Growers 5/48	70.00	....
Western Grain 6% 1949	60.00	....
Public Utility Bonds:		
Bell Telephone 5% 1955	100.00	104.00
B. C. Power 5½% 1960	81.00	....
B. C. Telephone 5% 1960	85.00	89.00
Can. Northern Pwr. 5% 1953	70.00	73.00
Cedar Rapids 5% 1953	97.00	101.00
Duke Price Power 6% 1966	63.00	....
Gatineau Pwr. 5% 1956	75.00	78.00
Gatineau Pwr. 6% 1941 Apr. 1	62.50	....
MacLaren Quebec 5½% 1961	66.00	71.00
Montreal Isl. Pwr. 5½% 1957	86.50	....
Montreal LH&P 5% 1951	100.50	104.00
Montreal LH&P 5% 1970	100.00	101.00
Montreal Tram. 5% 1941 July	94.00	99.00
Montreal Tram. 5% 1955	76.00	....
Ont. Pwr. Service 5½% 1950	68.00	72.00
Quebec Power 5% 1968	79.00	....
Rio Tramways 5% 1935	82.50	[illegible]
Shawinigan W&P 4½% 1970	74.00	78.00
West Kootenay Pwr. 5% 1956	77.00	....
Western Power 5% 1949	86.50	91.50
Government Provincial & Railway		
C.N.R. 4½% 1951 Dom. Gtd.	93.00	94.25
C.N.R. 4½% 1957 Dom. Gtd.	92.50	93.50
C.N.R. 5% 1969 Dom. Gtd.	99.00	100.00
C.P.R. 5% 1954	85.00	....
Dom. of Can. 5% 1941	99.50	100.50
G.T.P. 4% 1962 Dom. Gtd.	81.50	....
Ont. Hydro 5% 1939 Ont. Gtd.	95.00	....
Prov. of N. B. 5½% 1950	98.00	99.50
Prov. of Ontario 5% 1948	96.25	98.00
Prov. of Ontario 5½% 1947	101.50	103.00

Listed Bond Quotations

Week Ending July 25

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Range, 1932 Low
Abitibi, 1st mtge.	5	1953	...	22½	...	...	46	[illegible]
Asbestos	5	1942	...	...	...	...	65½	[illegible]
Asbestos, 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*3	...
Can. Cons. Rub.	6	1946	...	...	...	...	*80½	...
Can. Cottons	5	1940	...	...	...	...	*91	[illegible]
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	†6½	...	...	7	6
Do. (Way. Ser.)	5½	1955	...	...	...	...	*23½	[illegible]
Can. S. S. deb.	5	1943	...	...	...	...	‡98½	...
Cedars Rapids	5	1953	5.28	†100	...	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dom. Coal	5	1940	...	†98½	...	...	*98½	98
McNish	6	1948	...	†1.25	...	...	1.25	...
Mex. L. & Pr.	5	1940	...	...	...	...	*72½	70
Mont. L.H.&P. debs.	3	1939	...	...	40½	39	40½	38
Mont. Tr. 1st mtge.	5	1941	5.84	94½	94½	...	94½	91
Mont. Tr. "A"	5	1955	7.59	77	...	...	80½	[illegible]
Mont. Tr. G. & R. "B"	5	1955	7.45	76½	...	...	79½	76
Do., "C"	4½	1955	...	...	...	...	*85	[illegible]
Do., "D"	5	1955	6.62	76½	...	...	81	76
N. S. Steel	6	1959	...	...	...	...	*62½	59
Ont. Steel	6	1943	5.94	90	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*98	85
Steel of Can.	6	1940	5.90	100½	...	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winn. Elec.	5	1935	...	75	...	...	*99½	[illegible]
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Can.	6	1940	5.60	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	2.50	...	...	...	107.00	105.00
Victory Loan	5½	1933	4.21	101.35	101.25	...	101.25	100.25
Do.	5½	1934	4.78	101.35	101.30	101.10	101.30	99.25
Do.	5½	1937	3.90	106.75	...	...	106.15	104.00
Do., refund	4½	1940	4.93	96.00	...	...	94.60	91.50
Do., refund	5	1943	5.00	99.25	...	...	98.25	95.35
Do., refund	4½	1944	4.99	93.75	...	...	92.25	89.50
Do., refund	4½	1946	4.96	93.75	...	...	92.25	91.50
Conversion Loan	4½	1956	5.11	91.00	91.50	...	91.50	88.25
Do.	4½	1957	5.37	91.00	...	...	90.50	88.00
Do.	4½	1958	4.98	93.65	93.00	...	93.00	88.50
Do.	4½	1959	5.21	93.75	...	...	92.25	89.00
Nat. Service Loan	5	1936	5.16	99.65	...	...	98.50	96.35
Do.	5	1941	5.00	99.50	...	...	98.25	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Winnipeg Grain Prices

Week to July 26

Crop Year from Aug. 14 High	Low		Open July 20	High for week	Low for week	Close July 26
		Wheat				
.77½	.52½	July	.54½	.57½	.53½	[illegible]
.72½	.55½	Oct.	.57½	.60½	.56½	[illegible]
.66½	.56½	Dec.	.58½	.61½	.58	[illegible]
		Oats				
.39½	.30½	July	.34	.49½	.34	[illegible]
.35½	.27½	Oct.	.27½	.30½	.27½	[illegible]
.29	.26½	Dec.	.26½	.29	.26½	[illegible]
		Barley				
.45½	.33½	July	.36½	.38½	.35½	[illegible]
.42½	.31½	Oct.	.32½	.35½	.32½	[illegible]
.35½	.31½	Dec.	.32½	.35½	.32½	.35
		Flax				
1.16½	.63	July	.68½	.73	.67½	[illegible]
1.09½	.66½	Oct.	.71	.78½	.70½	[illegible]
.78½	.68½	Dec.	.73	.76½	.71½	[illegible]
		Rye				
.59	.31½	July	.32½	.35½	.32½	[illegible]
.55½	.33½	Oct.	.34½	.36	.33½	[illegible]
.38½	.34½	Dec.	.35½	.38½	.35	[illegible]

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to July 26

High *to date	Low		Close July 19	High for week	Low for week	Close July 26
		Wheat				
.64½	.47½	July	.49	.52½	.49	.52½
.66½	.50½	Oct.	.53	.56	.53	.56

*Since trading opened March 3, 1931.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Limited
Canada Permanent Bldg., Toronto, Ontario.
July 26, 1932.

	Rate	Actual Maturity	Next Int. Date		
*Newfoundland	5	31 Dec. 1952	31 Dec.	70.00	8.00
*Newfoundland	5½	1 July 1939	1 Jan.	75.00	10.65
*Newfoundland	6½	30 June 1936	30 Dec.	80.00	13.05
*Alberta	4½	1 Oct. 1958	1 Oct.	85.00	5.60
Alberta	5	1 July 1943	1 Jan.	90.15	6.25
Alberta	6	1 Mar. 1947	1 Sept.	97.00	6.30
*British Columbia	4½	1 Oct. 1953	1 Oct.	84.15	5.80
*British Columbia	5	15 Jan. 1948	15 Jan.	91.90	5.80
British Columbia	6	15 Feb. 1947	15 Aug.	99.00	6.10
Manitoba	4	1 July 1947	1 Jan.	78.30	6.25
*Manitoba	5	2 Dec. 1959	2 Dec.	92.00	5.55
Manitoba	6	1 Apr. 1947	1 Oct.	97.00	6.30
*New Brunswick	4	1 June 1948	1 Dec.	87.05	5.20
*New Brunswick	4¼	15 June 1936	15 Dec.	98.40	5.20
New Brunswick	5½	1 May 1950	1 Nov.	99.00	5.60
*Nova Scotia	4½	15 Nov. 1948	15 Nov.	92.30	5.20
Nova Scotia	5	1 May 1943	1 Nov.	98.35	5.40
*Ontario	4½	1 Sept. 1944	1 Sept.	96.00	4.92
Ontario	5	15 Oct. 1948	15 Oct.	97.00	5.25
Ontario	5½	1 Feb. 1947	1 Aug.	102.50	5.25
P.E.I.	4	1 Apr. 1932	1 Oct.	89.75	5.60
P.E.I.	6	1 May 1947	1 Nov.	102.00	5.80
*Quebec	4¼	1 May 1961	1 Nov.	97.55	4.40
Saskatchewan	4½	1 Oct. 1944	1 Oct.	84.00	6.37
Saskatchewan	5	1 Oct. 1950	1 Oct.	88.00	6.10
Saskatchewan	6	15 Mar. 1952	15 Sept.	97.00	6.25
Cities					
*Montreal	5	1 Sept. 1963	1 Sept.	96.15	5.25
*Toronto	4½	1 Jan. 1955	1 Dec.	90.15	5.25
*Vancouver	5	15 Jan. 1970	15 Jan.	83.25	6.15
Winnipeg	5	1 Mar. 1944	1 Sept.	87.65	6.50
*Edmonton	5½	1 Apr. 1947	1 Oct.	84.00	7.25
Calgary	5	1 Jan. 1945	1 Jan.	83.65	7.25
Halifax	6	1 July 1951	1 Jan.	101.15	5.90
Saint John	5	15 Dec. 1950	15 Dec.	89.95	5.90
Regina	4½	1 July 1950	1 Jan.	72.60	7.25
Victoria	5	21 July 1945	21 Jan.	84.65	6.75
Quebec	5	1 June 1948	1 Dec.	95.75	5.40

*New York payment.

(Additional quotations will be found on page 19)